The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

IN THIS ISSUE

Japan Continues to Woo Soviets for Manchurian Understanding

Is China "Quieting Down" Politically?

Missionaries Adopt Picks and Shovels as Church Aids

Chinese Student "Reds" Wash Moscow's Dirty Linen

Japanese Budget Balancing Awaits Naval Maneuvers

Liang Tso-yu, Shantung Millionaire, Turns Out to Be Impostor

White Russian Editor Urges Japanese to Fight Soviets at Once

Lonely Bachelors and Forlorn Maidens in Shanghai Have a Legitimate Grievance

China's Four-Year Plan for the Development of the Yangtsze Valley . . . . . By Paul K. Whang

Some Aspects of the Sino-Japanese Conflict By Judge Liang Yuen-li

The Development of the North-West of China . . . . . By C. Y. W. Meng

The Lytton Report: An Appraisal . . . By Shen-Hsueh-chuan

Stimson Measures the Peace Movement . By S. J. Woolf

SATURDAY, NOVEMBER 12, 1932 VOLUME 62, NUMBER 11

FORTY CENTS A COPY

The National City Bank of New York

1-A KIUKIANG ROAD, SHANGHAI

Head Office:

55 WALL STREET, NEW YORK, U.S.A.

Capital, Surplus and Undivided Profits
over U. S. $205,400,000

Branches and Affiliates:

Argentina	England	Philippine Islands
Belgium	France	Porto Rico
Brazil	Haiti	Republic of Panama
Chile	India	Spain
China	Italy	Straits Settlements
Colombia	Japan	Uruguay
Cuba	Mexico	Venezuela
Dominican Republic	Peru	

THE ELECTRIC WATER HEATER GIVES

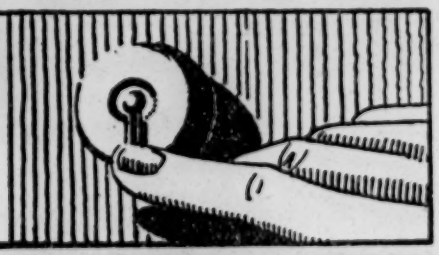
HOT WATER

WITHOUT THE USE OF A MATCH

ALL DAY

WITHOUT THE USE OF A FIRE

LONG ★



WITHOUT EVEN TOUCHING A SWITCH

SHANGHAI POWER CO.

HEAD OFFICE & SHOWROOM:

95 NANKING ROAD

BRANCH SHOWROOMS & COLLECTING OFFICES:

772 Bubbling Well Road - - 107 Boone Road

424 Chekiang Road - - - 440 East Broadway

TELEPHONE 11010 (all Departments)

密勒氏評論報

The China Weekly REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 62 | Shanghai, China, Saturday, November 12, 1932 | Number 11

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 38 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; HOH CHIH-HSIANG, Asst. Editor; TRYPHON KU, Advertising Dept.; F. K. CHAO, Business Dept.

CONTRIBUTING EDITORS

C. Y. W. MENG — DANIEL J. LEE
S. C. YANG (Harbin) — CHANG YA-CHUEN
MARK M. LU (Honan) — FLORENCE WONG (London)

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

Missionaries Adopt Picks and Shovels as Church Aids 458
Chinese Student "Reds" Wash Moscow's Dirty Linen.. 454
Japanese Budget Balancing Awaits Naval Manoeuvers 455
Is China "Quieting Down" Politically? 456
Japan Continues to Woo Soviets for Manchurian Understanding 460
Lonely Bachelors and Forlorn Maidens Have a Legitimate Grievance 462

Special Articles

The Lytton Report: An Appraisal By Shen Hsueh-chuan 465
Liang Tso-yu, Shantung Millionaire, Turns Out to Be Impostor 467
The Development of the North-West of China ..... By C. Y. W. Meng 469
Some Aspects of the Sino-Japanese Conflict ..... By Judge Liang Yuen-li 473
White Russian Editor Urges Japanese to Fight Soviets at Once 476
Stimson Measures the Peace Movement By S. J. Woolf 579
China's Four-Year Plan for the Development of the Yangtsze Valley ..... By Paul K. Whang 482
Men and Events 494
Who's Who in China 495
New Books of Interest in the Far East 496

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS" COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 38 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

WASHINGTON OFFICE
J. J. Underwood—Correspondent
Colorado Building, Washington, D. C.

MISSIONARIES ADOPT PICKS AND SHOVELS AS CHURCH AIDS

THAT foreign missionaries can no longer hold themselves aloof from efforts which have as the primary objective the relief of human pain and suffering and literally must shoulder picks and shovels as aids in the propagation of Christianity in China is the definite impression given by a perusal of the November issue of *The Chinese Recorder*, organ of various mission boards which have their headquarters in Shanghai. The movement is significant because it indicates that the foreign Christian missionary has come to a realization that practical assistance must be given to the Chinese people in their efforts to save themselves from present pressing earthly troubles. Although nothing is said about any possible lessening of their work in the field of spiritual uplift, it is apparent that implements for the construction of roads and dykes may shortly become as familiar objects of missionary work as Bibles and religious tracts heretofore have been. One Bishop, in reply to a request from the editor of *The Recorder* for an article on the subject of famine relief work replied, "I cannot send you an article on famine relief work for the reason I am too busy doing famine relief work." Amplifying further he stated he was just winding up one job which involved the expenditure of a quarter mission Chinese dollars and was preparing for the beginning of labor relief to the extent of another quarter of a million dollars on the Huai river tributaries of southern Honan. In the nature of editorial advice the editor of *The Recorder* declared, "In the Christian movement we cannot be true to the call of the Master or truly follow in His footsteps if we do not respond to the crying need of famine-stricken sufferers....it seems wise that public opinion and the wisdom of up-to-date workers should be mobilized in the efforts to fight economic and natural dangers and prevent calamity." Many influences, some of which the missionaries themselves have not yet realized, have brought about this change in the direction of missionary work. One is that the fundamental problem of present day China is the relief of economic distress; hence it is more or less useless to preach to people who are suffering from hunger about the glories of the hereafter. Something more practical must be done in the direction of solving the problem involved in the

phrase, "livelihood of the people," and as a result the missionaries, hundreds of them, are setting an example to China's leaders by taking up picks and shovels and doing practical work. Therefore we find foreign missionaries giving serious concern to engineering projects pertaining to the construction of roads, dykes and irrigation ditches. Also, there is a concentration in many missionary schools, upon subjects dealing with scientific agricultural education. One also can't help feeling that many of the missionary leaders have come to a realization that such subjects will have a greater appeal abroad in money-raising campaigns than some of the old appeals about "saving China" have had. We have not yet seen the final report of the so-called "fact-finding" commission of laymen which spent several months investigating missionary work in China last year, but we imagine it will emphasize practical work over theoretical teachings for future missionary endeavor.

CHINESE STUDENT "REDS" WASH MOSCOW'S DIRTY LINEN

CHINESE students even though they may be professed communists cannot resist the "capitalistic" impulse despite the fact they reside in Moscow and are enrolled in educational institutions devoted to "red" doctrines. According to a report brought to Shanghai recently by a foreigner who spent considerable time in Russia, there are some 3,000 Chinese students in Moscow at the present time and a considerable number of them are earning their living by engaging in the laundry business. It seems that laundry work in the Soviet capital should be done by one of the "state-trusts" but the trust which has charge of this necessary enterprise, like most official enterprises is more or less addicted to red tape, the result being that while the work may be done satisfactorily, it may require two or three weeks or even a month before one gets his laundry back. It didn't take the Chinese students long to discover the need for a "quicker" laundry service and as a result some of the students banded together and formed a private laundry and quietly solicited trade. The laundry prospered and more students went into the business, the students in this way adding materially to their incomes while studying in the Moscow colleges. According to *The Review's* informant, most of the foreigners residing in Moscow now patronize the Chinese student laundries rather than the state laundry trust, the reason being the greater efficiency of the Chinese who operate their plants on a "capitalistic" basis.

The success of the Chinese students in capturing the Moscow laundry business is reminiscent of early days in America when the Chinese residents of the United States monopolized laundry work all over the country. Although laundry work in China is performed largely by women, it is a fact that Chinese man-operated hand-laundries were once familiar objects in practically every city of any size in the United States, only being displaced in recent years by mechanical laundries. Most of the Chinese who engaged in the laundry business in America went to the United States originally as laborers from Kwangtung province to help in the construction of the trans-continental railways. After the railway work had been completed or the Chinese laborers had been displaced by Irish and Italian immigrants, the Chinese remained and engaged in all manner of businesses, laundry work, market gardening, restaurant (chop-suey) places, etc. In the early days of the California gold rush when every man who had won his "stake" wore a white-starched or "boiled" shirt, it was the custom in San Francisco to send one's laundry by ship to Honolulu where the work was done by Chinese-owned laundries and then shipped back to Frisco on the next ship. The man who had lost his ticket was out of luck for it often required two months for one to get his laundry back from Honolulu.

During the course of the Washington Conference (1921-1922), there was an interesting story in circulation in the American capital regarding the Tsingtao municipal laundry. In connection with the handing over of Tsingtao municipal properties from the Japanese to the Chinese, a squabble developed over the control of various municipal properties including the Tsingtao laundry which was established by the Germans and then taken over and operated by the Japanese in 1914 at the beginning of the world war. When the Chinese and Japanese delegates at Washington settled down to discussing the terms for the rendition of Tsingtao properties, a dispute arose over the control of the Tsingtao municipally-owned laundry. When Dr. Sao-ke Alfred Sze, chief Chinese delegate heard of the squabble he told the Chinese delegates to "let the Japanese keep the laundry rather than have a fuss about it." He then remarked to an American friend that since most Americans thought laundry-work was a national industry in China, he was quite willing to permit the Japanese to have some of the credit, even to the extent of controlling the Tsingtao laundry. According to recent reports from the United States the Chinese are beginning to relinquish control even of the familiar Chinese restaurants, or "chop-suey" eating places, largely due to the fact that they are becoming unprofitable as a result of the popularity of Chinese foods which now are served at most popular restaurants and hotels. Chinese residents of the United States, particularly those on the Pacific coast, are now engaged in all manner of businesses, including ownership of office buildings and apartment houses, and even beauty-parlors. Sons and daughters of the early Chinese peasant emigrants to the United States are now enrolled in the colleges and universities as other American students and upon graduation engage in business and the professions. Many have returned to China and in recent years have begun to take an important part in the modernization of their home country.

T. V. Soong Goes to Hankow

T. V. Soong, Finance Minister and concurrently Acting Chairman of the Executive Yuan departed for Hankow on Tuesday of this week for a conference with Gen. Chiang Kai-shek. In an interview prior to his departure, Mr. Soong stated that in the event of failure of the present negotiations for American wheat it would be necessary for China to purchase wheat in the Canadian and Australian markets.

Japanese Budget Balancing Awaits Naval Maneuvers

THE military maneuvers in Japan, which were scheduled to begin November 11, have for the moment overshadowed the contest in Japanese political circles which has raged around the balancing of the budget for the next fiscal year. The latest telegrams from Tokyo intimated that it would be impossible to decide on the whole of the budget previous to the holding of the maneuvers. However, according to the figures supplied by the Accountant's Bureau of the Ministry of Finance, the national expenditures for next year are estimated at Yen 2,100,000,000 and the revenues at Yen 1,330,000,000, leaving a deficit of Yen 780,000,000 which will be made good by the issuance of bonds. Minister of Finance Takahashi has gained his point with the Cabinet that conditions are such in the business world that it would not be expedient to raise the rate of taxation. The most persistent applicant for appropriations on a huge scale has been Minister of War Araki who has repeatedly visited Mr. Takahashi lately with a view to getting the largest possible appropriation. The arguments between Mr. Takahashi and General Araki had at times, it is reported, become heated. In a recent statement the Finance Minister expressed the opinion that financial stability supersedes military preparedness, and in his opinion the idea of compromising the two was hardly compatible with the spirit of caring for the national welfare.

Much of the Finance Minister's objection to the rasing of the tax rate is based on the contention that its ill effect on the money market would entirely overshadow the trifling increase in the tax revenue. Defending the War Office claim, Lieut.-General Araki is said to have argued as follows to the Finance Minister: "The Yen 545,000,000 military claim in the next budget, though it may seem to be fabulous, is absolutely indispensable for Manchuria and Mongolia, that comprise our life line, and the energency national defence. I therefore wish next year's military expenditure to be recognized, though I am perfectly aware of the unprecedentedly difficult position of the Finance Minister."

The War Office later agreed to reduce its a demand to Yen 360,000,000, including Yen 160,000,000 for the Manchurian expendition, and Yen 200,000,000 for the completion of military equipment and related matters. The Navy Office has also been insisting on a heavy appropriation, something around Yen 339,000,000 which is divided into Yen 277,000,000 for replacements in defensive equipment and new items in general, Yen 19,000,000 for Manchurian campaign expenses and Yen 43,000,000 to cover expenditures during the first year of the second replacement program.

The expenditures apportioned to the different Ministries in the draft budget for the next fiscal year have been fixed approximately as follows:—

The Foreign Office	Yen 24,000,000
Home Ministry	208,000,000
Ministry of Finance	460,000,000
War Ministry	360,000,000
Naval Ministry	339,000,000
Ministry of Justice	34,000,000
Ministry of Education	150,000,000
Ministry of Agriculture and Forestry	155,000,000
Ministry of Commerce and Industry	11,600,000
Ministry of Communications	347,000,000
Ministry of Overseas Affairs	24,000,000

In the meantime the plans of the Japanese Government to send emigrants to Manchuria are apparently making progress. The Overseas Ministry has included an item of Yen 4,000,000 for this purpose in its budget for the next fiscal year, and although this may be scaled down somewhat by the Finance Ministry, a substantial sum will undoubtedly be allotted for this purpose. Of the sum asked by the Overseas Ministry for the migration to Manchuria, about three quarters is proposed to be used to finance preparations, passage and ordinary expenses of 3,000 armed emigrants, to be sent in groups of 500 at a time to different parts of Manchuria. Two or three groups are expected to settle in Kirin Province. The rest of the sum is intended to buy equipment and encourage industry among the armed emigrants who have already left Japan. It was proposed, according to the *Hochi*, to send ordinary emigrants with the armed groups, but it was finally decided that agriculture in Manchuria is not yet sufficiently safe for men not trained to fight! The armed immigrants are to engage in agriculture, but at the same time they will assist the police and soldiers in their districts to maintain peace and order.

⁂

The specter over Japan's financial situation continues to be a badly depreciated and debilitated yen. The exchange on American gold —the one solid basis of reckoning in the financial world to-day, despite the severe economic depression—hovers around twenty-one cents—a discount of approximately 60 percent. This drop in the exchange value of the yen has given an artificial fillip to Japanese commerce, although the figures given below are illusory, as the figures relate to the depreciated yen of to-day and not the gold yen. The prices at which Japanese goods are being sold abroad at present, figured in gold, show that they are being sold way below cost.

According to official statistics published in Tokyo Nov. 6 Japan's exports for October amounted to Yen 147,000,000 and imports to Yen 87,000,000, showing increases of 55 and 26 per cent. respectively, as compared with the corresponding period last year. Cotton piece-goods exported in October totalled Yen 16,000,000, showing an increase of Yen 1,000,000 as compared with the figure for September. Once more let it be borne in mind that the figures relate to the present-day yen. The comparison with last year is entirely misleading.

One of the effects of the policy of inflation is a growing rush among Japanese traders to lay in stocks from abroad. Exchange in high amounts is being settled for cotton and wool purchases, and also for miscellaneous lines, as the regular import season is about to fall due. So far the Japanese financial authorities are stated to be taking the situation calmly but that does not change the fact that the indications are that the Yen will continue to slump as

time goes on. The Economic Inquiry Committee of the Tokyo Clearing House has requested the Exchange Research Society to study measures to meet the situation caused by the drop in the value of the Yen. The Society says it realises that it is impossible to stabilise the market completely, but nevertheless disapproves the Government's neglect to do anything at all. The Society advocates the establishment of a special fund of Yen 100,000,000 to Yen 200,000,000 to be employed by the Yokohama Specie Bank for the prevention of any violent fluctuations of the market rate. Another suggestion is that the Government should stop exporting gold, and store the entire quantity bought from domestic producers. The Japanese Government has, so far not done anything, and whatever it may do it can only stave off temporarily the inexorable laws of economics. Japan is simply spending huge sums in excess of its ability to pay and its credit has thereby been badly damaged. The country is headed towards bankruptcy unless its chauvinists do not change their mad dreams of expansion and world dominion.

It has been arranged between the Department of Finance and the Bank of Japan that the new Yen 200,000,000 bonds should be issued in the latter part of this month. Banking circles understand that the new issue will bear four per cent. interest and will be sold at Yen 96.50 as against a face value of Yen 100—repayment in ten years.

The *Tokyo Asahi* makes the gloomy forecast that Japan's national loans will total Yen 10,000,000,000 by the end of the next fiscal year. As already reported, the Accountancy Bureau of the Finance Department has cut the new expenditure of the various Departments to Yen 600,000,000, but nobody seriously thinks that this drastic cut can be maintained against the importunate and desperate efforts of many Ministers to secure the revival of deleted items. On a most conservative estimate, the amount finally accepted by the Finance Department will, it is believed, be something like Yen 700,000,000. This will make the total Budget for the next fiscal year Yen 2,200,000,000, involving fresh loan issues amounting to about Yen 1,000,000,000.

At the end of September this year, total loans were put at Yen 6,300,000,000. If to this are aided the loans yet to be raised in the present fiscal year, and other borrowings, the increase of foreign loan payments due to the fall of the Yen, and the Yen 1,000,000,000 to be issued in the next fiscal year, the total will reach Yen 10,000,000,000. In compiling the Budget for the last fiscal year, the Finance Department endeavored to keep the total of national loans below Yen 6,000,000,000, but now it is faced by the unpleasant prospect of seeing the total exceed this sum by Yen 4,000,000,000 within the next two years. A Yen 10,000,000,000 national debt means Yen 500,000,000 in interest payments alone, and Japan will be condemned to a chronic "deficit" in budgetary finance for years to come.

Is China "Quieting Down" Politically?

DESPITE some reports to the contrary, most of which incidentally are being circulated by the Japanese, there seems to be considerable evidence that China has grown tired of domestic discord and may take a political and military holiday. How long this holiday or voluntary "armistice" will last no one can say, some well informed Chinese forecasting three months, others six months, while others still more optimistic claim the period of disastrous civil wars has definitely passed and a period of reconstruction in all fields of endeavor has actually commenced. Chief evidence on the side of peace was that offered this week by T. V. Soong, Finance Minister and acting chairman of the Executive Yuan, but since Mr. Soong is a high official of the present Nanking Government, and in consequence is an interested party, it is of value to explore other evidence.

First attention, obviously, should be given to recent Japanese reports, but since the Japanese likewise are interested parties their reports also should be regarded with appropriate reserve. It is no secret that the Japanese cause in Manchuria would be benefitted by continued political turmoil in China proper. It would help Japan at Geneva and at the same time would neutralize Chinese opposition in the Far East. As an example of Japanese propaganda on the subject of Chinese discord, we present the following paragraph from a *Rengo* dispatch dated Nov. 5 which appeared in *The Shanghai Times*,

> Well-inforced political observers believe that the establishment of an alliance between the Anfu and former Chihli factions and such military leaders as Generals Yen Hsi-shan, Han Fu-chu and Sun Tieh-yuan is now a fact beyond all doubt. It is understood that all these leaders have come to an agreement to break off their relations with the Government under Marshal Chiang Kai-shek's influence and to oust Marshal Chang Hsueh-liang from the North in order to establish a new administration in conformity with the people's aspirations. Judging from the present situation, such movement is expected to be brought to light after the assembly of the League of Nations is closed and Marshal Chiang Hsueh-liang becomes an object of criticism.

In addition to this report, a correspondent in Hunan province recently wrote *The Review* stating that Gen. Chiang Kai-shek's recent trip to Changsha was for political purposes, that Gen. Ho Chien present governor of Hunan is to be made "Bandit Suppression Commissioner" of Hunan and Hupeh and his office transferred to Wuchang. It was claimed that Gen. Ho opposes this move, but Gen. Chiang considered it necessary in view of recent moves on the part of potential political enemies. Furthermore it was alleged that Gen. Chiang was seriously concerned with the recent trip of Dr. C. C. Wu to Peiping and his visits to Feng Yu-hsiang and Yen Hsi-shan, due to reports that Dr. Wu was trying to patch up an alliance between certain elements in the South (Hu Han-ming group) and the two north militarists, somewhat along the lines of the so-called Northern Military Alliance in 1930 which included Yen and Feng and Wang Ching-wei the Left-wing leader in the Kuomintang. The correspondent of the *North-China Daily News* in Peiping on Oct. 28

reviewed the political situation in the North in the light of recent developments and stated that while daily conferences were being held by politicians of all kinds and colors, it was impossible to follow all the currents and cross-currents or to attempt any estimate of the political or personal groupings "which seem to change from day to day." The recent visit to Peiping of the old Anfu leader Tuan Chi-jui was responsible for most of the rumors due to the well known Japanese leaning of the former Anfu chieftain, but aside from the political talk the fact exists that Tuan has no military following. It should be stated in this connection however that reports were in circulation he had received large subsidies from the Japanese with the object of stirring up trouble in the North as a preliminary to an attempted Manchu restoration. The report in the N.-C. D. N. concluded with the followlowing:

> Chang Hsueh-liang's position is no doubt not exactly a bed of roses. Still, the striking fact remains that, while Wang Ching-wei who tried to bring about his downfall, is himself now on the high seas, he is still in power here. Whatever the actual truth may be as to the extent of the Young Marshal's power and authority, one cannot help admiring the skill with which he managed for so long to continue to balance himself on the political tight-rope. For consider the many conflicting groups and interests that he has got either to conciliate or alternatively to play off one against the other, if he wishes to retain his position: To the south of him there is the Kuominchun general, Han Fu-chu, now openly embroiled with Chiang Kai-shek; to the west Yen Hsi-shan who will not have forgotten that it was the Young Marshal who played a leading part in his downfall; to the north another Kuominchun army with Feng Yu-hsiang as its honored guest; to the east the very uncertain Tang Yu-lin in Jehol; and behind him Manchukuo with the restoration of the Manchu Dynasty looming on the horizon; and above all the Japanese who have long been crying out for his head; while in Peking itself sits Wu Pei-fu still dreaming of a possible return to power; and in Tientsin the remnants of the Anfu Party busy fishing in troubled waters.
>
> Of course, Chang Hsueh-liang's chief, if not sole, support is Chiang Kai-shek; and a very powerful support too. But Chiang is far away and, at the present time, what with the Communists, the disruptive forces of the South and the intrigues inside the Party, has more than enough troubles of his own, and would scarcely be in a position to afford the Young Marshal any practical assistance, if matters in the North did come to an open breach. However, the practical-minded Chinese public do not appear to think that such a breach is likely to occur from the Shantung question. They point out that the cold weather is close upon us, and that therefore it is too late for any Civil War, at least for this year.

Feng Yu-hsiang, late leader of the Kuominchun faction and still an important and uncertain element in Chinese politics, put all doubts at rest regarding his possible participation in an attempted Manchu restoration when he circulated two telegrams which he had addressed to Dr. Lo Wen-kan, Minister of Foreign Affairs at Nanking. In these telegrams the erstwhile "Christian General" ridiculed the reports that he might be mixed up in a monarchist plot, calling attention to the fact that in 1923-24 he had driven the remnants of the monarchists, including the "Boy-Emperor" Pu-Yi, from Peiping. Said Feng, "When I drove Pu-Yi out of the Imperial Palace, a section of the public considered my action as improper and were anxious to see Pu-Yi retain his monarchical title. Now I am accused of supporting Marshal Tuan and also a monarchical restoration movement." In conclusion Feng suggested that the rumors about his political movements might not be entirely of Japanese origin, that possibly they were being spread by political opponents...."The responsibility for the renewal of civil war and the failure to offer resistence to foreign aggression should properly be shouldered by the man who is most subservient to the foreign power...." In the light of Feng's obvious opposition to a monarchist restoration movement, it appears extremely unlikely that the Anfu group, even with Japanese financial support, could have any possible hope of success in the North. In the event of the passing of Marshal Chang Hsueh-liang from control of Peiping, the only other possibility would rest in a possible alliance of Feng Yu-hsiang and Yen Hsi-shan with certain political elements in the South. As the situation stands today Feng has no personal troops, but a possibility exists he might be able to obtain the assistance of his former suborordinates, Han Fu-chi in Shantung, Sung Chieh-yuan in Chahar and Sun Ting-yin, Chang Che-kiang and Shih Yu-shan who have their troops scattered through northern Kiangsu, western Shantung and southern Shansi. It is of some significance that Liu Chen-nier who is being transferred from Shantung will be stationed in northern Honan, while Chefoo formerly occupied by Liu will be taken over by marines under the command of Chang Hsueh-liang.

Chief interest naturally centers in the statement circulated by the official Chinese *Kuomin* service from Nanking on Nov. 6 which contained the declaration of T. V. Soong, Finance Minister and acting head of the Executive Yuan at Nanking. Mr. Soong's statement appears in full elsewhere in this issue, but after calling attention to certain adverse factors such as the Japanese intervention in Manchuria and at Shanghai, the disastrous floods along the Yangtsze and the world-wide economic depression, the fact exists that the National Government is steadily growing in strength. The Finance Minister also called attention to the fact that real progress is being made in the anti-red campaign in central China, that red military strength had been broken in Anhwei, Honan and Hupeh resulting in the deliverance of some 30,000 square miles from communist domination and if nothing serious occurs, Gen. Chiang Kai-shek will shortly succeed in eliminating the militant phase of communism in Kiangsi province. Gen. Chiang, according to recent reports is shortly transferring his headquarters from Hankow to Nanchang, capital of Kiangsi in order to assume personal direction of the final stages of the campaign. Mr. Soong then mentioned what may be the most important and determinating element in the situation—the growing force of public opinion throughout the country which is opposed to a renewal of civil warfare. In this connection he declared.

> "Superficial observers may be impressed by propagandists' claims that the sporadic fighting in Shantung and Szechwan betrays the growing impotence of the government and foreshadows its downfall. It may sound paradoxical, but I rather look on the restraint of the government as evidence of its growing strength. In September last year, when the Manchurian trouble began, I ventured to prophesy that the period of civil wars was drawing

to a close. Time was when armed squabbles among the military were met instantly by peremptory orders and the despatch of government divisions to the scene, but today the government, convinced that unification of China by force is neither possible nor desirable, seeks to solve local disputes by the exercise of its moral sanctions aided by the growing force of public opinion.

"The League Against Civil War, which is composed of the sound elements of the nation, is gaining rapidly in power and strength, and will soon become an important factor in outlawing the use of military force to solve political problems. As far as its own wishes could determine events, the central government will reserve its troops for defence against foreign invasion and the suppression of those elements seeking to overthrow the prevailing social order by force.

Much of the political discussion now appearing in the Chinese newspapers centers in the forthcoming Third Plenary Session of the Kuomintang Central Executive Committee which is scheduled to meet in Nanking (or Loyang) on December 15. A *Kuomin* report on Nov. 5 stated that Tai Chi-tao, president of the Examination Yuan and close associate of Gen. Chiang Kai-shek, had gone to Hankow for a conference with Gen. Chiang regarding the C. E. C. meeting, it being suggested that the chief subjects of discussion pertained to the question of enforcing the Provisional Constitution and the matter of national defence. Said Mr. Tai, "The Third Plenary Session of the C. E. C. must devote itself not only to a solution of the Manchurian question, but also to the question of carrying out the terms of the Provisional Constitution." With regard to the Manchurian issue it is of some significance that Mr. Aryioshi, the new Japanese Minister to China, has announced his intention of returning to Tokyo immediately for a conference with high Japanese officialdom. This naturally has aroused considerable attention because Mr. Aryioshi had just returned to Shanghai from a trip to the north where he conferred with officials both in Nanking and Peiping. In Peiping it was reported he had several serious discussions with Marshal Chang Hsueh-liang, leading to a belief that the Japanese possibly had decided to attempt a compromise with the late Manchurian ruler as a means of solving the Manchurian impasse. The official Japanese *Rengo* service circulated a telegram on Nov. 5 alleging that Tai Chi-tao's trip to Hankow was entirely concerned with the matter of the Nanking Government's policy toward Japan. As suggested previously in these columns of *The Review* the matter of China's policy toward Japan on the Manchurian issue, constitutes the outstanding domestic political issue in China today, this question constituting the chief element of political discord. Any move on the part of the Nanking Government to reach an understanding with Japan on this question, either through the mediation of the League or otherwise, is bound to arouse strong opposition in various parts of the country, but chiefly in the South where certain elements have been preaching a "strong" policy even to the extent of open warfare. Strong opposition to acceptance of the Lytton Report has been voiced by public bodies in various parts of the country, particularly in Shanghai and Canton. In the South both Hu Han-ming and Tang Shao-yi have denounced the report on the grounds that its acceptance would confirm Japan in legal possession of her ill-gotten gains. A further indication of Canton's reaction is provided in movements which have been started looking to the support of the Manchurian Volunteers, it being stated that local organizations for this purpose have been organized in practically every hsien of Kwangtung and Hunan provinces. Of some significance in connection with Canton's possible attitude was an article in *The Canton Expounder* on Oct. 30 which discussed the Nanking situation following Wang Ching-wei's departure for Europe. After describing the failure of Wang Ching-wei in his attempt to force the resignation of Marshal Chang Hsueh-liang, the article stated that the Left-Wing Kuomintang leader had become ill "mentally and physically" and had decided to proceed to Europe. It was then claimed that Wang, rather than remain and be held responsible for acceptance of the Lytton Report, had decided to leave the country. However, it should be stated that there are reports in circulation that Wang may take advantage of the opportunity to visit Geneva for a personal conference with the members of the Chinese delegation on the matter of China's policy. The writer in the Canton paper then sarcastically suggested that certain of Wang Ching-wei's followers, who are still holding positions at Nanking, may finally decide to support Gen. Chiang Kai-shek and the Central Government, rather take the risk of opposing Chiang and in consequence losing their jobs.

Of final interest in connection with the domestic political situation in China was the publication in the *North China Daily News* during the week of a series of reports from its correspondents dealing with conditions in interior China. With few exceptions these reports told of improved conditions, particularly in the attitude of the Chinese public toward foreigners and foreign enterprise. Aside from serious economic conditions due to decreased trade, many of the correspondents told of important developments in the field of reconstruction, chiefly road building. A correspondent in Hunan province stated that some 800 miles of new stone-surfaced roads had been completed in the province. A report from Shantung told of improved political and economic conditions despite the recent warfare of Han Fu-chu and Liu Chin-nien in the Chefoo sector. A correspondent in Chekiang province stated there had not been any important improvement in his district in the past two years, but despite this property values had increased. A correspondent in Yenchow, Honan stated, "we are enjoying a period of unprecedented peace in central Honan and are able to travel with a sense of security within close proximity to the railway and away from it. Another writer in Hiangcheng attested to "all around improvement" in his district. However, he qualified his statement by explaining that opium growing is on the increase. A correspondent in Hwaiking, northern Honan stated that the standard of living in that area was rising slowly, one evidence being the increased use of wheat-flour, cigarettes, fancy cotton goods, toilet articles and sundries, including flash-lights. "Five years ago these articles were not seen in the shops and only were possessed by the wealthy. He stated

that the boycott of Japanese goods had resulted in a boom in cloth-weaving throughout his district. A correspondent in Wusih, Kiangsu stated that improved conditions were evidenced in the installation of electric lights in all of the small villages and the linking up of all districts by long-distance telephones and modern motor-roads. In Anhwei province where there has been much communistic development, the correspondents reported distressed conditions and pessimism among the people. Also it was stated that opium growing was on the increase in many quarters. Many districts reported recent development of modern roads and inauguration of motor-bus services, but some correspondents stated that prevalence of banditry made it necessary to "close all the city gates every night." Generally however, the correspondents reported improved conditions in their districts.

Chiang Kai-shek to Fight Reds in Kiangsi

General Chiang Kai-shek, president of the Military Affairs Commission, is scheduled to proceed from Hankow to Nanchang next week to supervise the suppression of the Reds in eastern Kiangsi and northern Fukien. He has already sent deputies to Nanking to establish a provisional headquarters.

A recent telegram from General Wang Mou-te, commander of the 28th Division, confirmed the re-capture of Suichuan, western Kiangsi, by his troops beginning of last week. They have effected junction with the Kwangtung forces under Generals Li Chen-chiu and Yeh Chao, respectively commanders of the 1st and 2nd Kwangtung Divisions. At the battle of Suichuan, the message reports, 400 bandits, including one Red regimental commander, were killed and 300 rifles seized.

Kwangsi Communist Leader Murdered by Bodyguard

A recent message from Nanking records the beheading of the prominent Kwangsi communist, Gen. Mei Pah-kuin at Tonglan, one of Kwangsi's western cities formerly under complete domination of the Reds. Gen. Mei had a very checkered career. A highly educated man, he became an ardent follower of the late Dr. Sun. Later he became a convert of communism and through his influence with the aborigines in western Kwangsi he established a communist government. Two years ago during the reign of the Reds in western Kwangsi, he armed hundreds of these aborigines and formed a divsion of the Red Army in the north-west. The official report has it, he was shot by a relative, a member of his bodyguard, who later had him beheaded for verification by Government officials.

Communists Take Advantage of Civil War to Enter Szechuan

Wang Ping-nan's communist troops, some 6,000 strong indirectly under the notorious Communist leader Ho Lung, which had of late been keeping comparatively quiet in the vicinity of Hopeng, western Hupeh, commenced to move towards the end of last month with the object of invading Szechuan, taking advantage of the civil war there. Evading the Szechuan Border Defence Army they last week succeeded in occupying Yuyang and Pengshui in the south of the province and are advancing towards the central part of the province.

Growing signs of an anti-British movement in Szechuan are reported. The Tibetan Question is believed to be the cause of it. The movement is most noticeable in the Wanhsien area, it is reported.

General Liu Wen-hui's Plan for Settling Szechuan Dispute

Measures for a settlement of the Szechuan situation were suggeted by General Liu Wen-hui, Chairman of the Szechuan Provincial Government, in telegrams to the National Government and General Chiang Kai-shek, President of the Military Affairs Commission, at the beginning of the week.

Charging General Liu Hsiang with having provoked aggressions, General Liu Wen-hui claims that he has already voluntarily abandoned more than ten cities in order to avoid bloodshed and fratricidal strife; including Shunking, Juining, Nungnan, Yungchan, Tatso, Anlu, Oalu, and Hokiang. While he himself is prepared to adhere to his policy of conciliation and concession, the relentless aggressions of General Liu Hsiang have, however, so incensed his subordinate commanders that he can no longer answer for their action, he said.

In suggesting a solution of the Szechuan situation, General Liu Wen-hui pointed out that the cardinal principle of any lasting solution must be the restoration to the Central Government of complete control over both the civil and the military administration of Szechuan. The state of chaos which has prevailed in the province during the past two decades is mainly due to the rivalry of military leaders. No enduring peace is possible unless this state of affairs is ecradicated, he said. He suggestsed that the military forces in Szechuan must be disbanded and reorganized and that all military units must hereafter be placed under the direct jurisdiction of the Central Government. In order to ensure the institution of various provincial reforms, three special committees, namely, military affairs, political affairs and reconstruction, must be established to assist the Provincial Government in the administration of the province. These Committees should include in their membership, not only provincial military and civic leaders, but also representatives of the people and prominent Szechuan residents in other provinces. Concluding, General Liu urged that the Government take steps to effect an immediate cessation of postilities and appoint special commissioners to Szechuan to convene a general conference for the discussion of measures to reorganize the provincial administration along the lines suggested above.

A recent Nanking message stated that the Executive Yuan will shortly appoint a Special Committee to carry out the proposed reorganization of the Szechuan provincial administration.

Rehabilitation Progress in Western Fukien

A recent *Kuo Min* dispatch from Foochow stated that since the recovery of Lungyen, the Red stronghold in western Fukien, by the government forces, the refugees are gradually returning to their homes. The Headquarers of the 19th Route Army has established a Western Fukien Rehabilitation Committee, which is to be the highest administrative organ there and will take charge of the census-taking issuance of certificates to bona fide civilians, inpection of the militia corps and redistribution of farmland.

The "Reds" at Shaowu, north-western Fukien, have retreated to Hoping and Hsinchiao, while those heading for Meikou are hotly pursued by the Fukien Brigade under Major-General Ma Hung-hsing, it is stated. General Tai Yo, defense commissioner for Chuchow and Chuhsien, western Chekiang, has despatched the regiment to the Fukien border ts assist in the suppression of the brigands.

The 19th Route Army is recruiting men in Kwangtung Province. A detachment of 500 recruits was shipped to Amoy last week to make up for losses in recent fighting and another big batch was expected to follow shortly.

Protective Guards to Maintain Order in Kwangtung Province

The Kwangtung military authorities are forming protective guards to maintain peace and order in the province. The guards will be under the control of district magistrates acting as commanders with military officers as second in command. The guards will protect districts after the withdrawal of the four Pacification Offices.

800 Marines Take Control of Chefoo

The Chinese transport *Chinhai* arrived Nov. 8 from Tsingtao with 800 marines under Captain Li Yuin-ching, accompanied by Captain Kao Ling-Teh. The marines were landed and have taken over complete control of Chefoo. General Han Fu chu's troops under Colonel Hwang departed for Hwanghsien the following day. The transfer was not accompanied by any untoward incident.

Chinese Officials Resign

The resignation of General Hsia Tao-yin, chairman of the Hupeh provincial government, was received by the Executive Yuan at its meeting in Nanking Nov 1. The Yuan decided to urge him to remain in office.

Tuan Shih-peng, vice-Minister of Education, also tendered his resignation. The Yuan asked him to reconsider and remain at his post.

It was announced at the meeting that Chu Chia-hua, newly appointed Minister of Communications, would assume office on November 4.

Japan Continues to Woo Soviets for Manchurian Understanding

YOSUKE MATSUOKA, Japan's chief delegate to the meetings of the League Council and Assembly arrived in Moscow on Nov. 4 and according to the announced schedule was expected to depart from the Soviet capital for Poland on Nov. 8. Mr. Matsuoka therefore spent four days in Moscow, a considerable portion of the time being devoted to conversation with Maxim Litvinoff, commissar for Foreign Affairs and Leo Karakhan, head of the Far Eastern department of the U. S. S. R. Foreign Office. Neither the Japanese official *Rengo* service nor the Soviet official *Tass* service issued any statements regarding the outcome of the conversations, but the American *United Press* issued two reports neither of which were overly hopeful for a successful outcome of Japan's attempt to win the favor of Russia on the Manchurian issue. According to the *United Press* message from Moscow on Nov. 5, "neither of the diplomats made an outright proposal. Mr. Karakhan said that Russia from the first had shown a friendly attitude toward Manchukuo, as an instance of which he cited Russia's neutrality at the time of Gen. Ma Chan-shan's revolt. On the other hand the Japanese delegate apparently was angling to place Japan in the position of approving a non-aggression pact with Russia rather than urging it. Mr. Matsuoka is understood to have mentioned a number of obstacles to the conclusion of such a pact at an early date, one of the obstacles being a rather strong opposition that has developed in Japan. Mr. Karakhan was reported as replying to this that if a non-aggression pact would benefit Japan it should not be made conditional on purely domestic Japanese politics. Mr. Matsuoka also discussed confidentially with Messrs. Karakhan and Litvinoff the line of action which Japan proposed to take at the forthcoming Geneva meetings."

Another *United Press* message on Nov. 4, also from Moscow, stated that while Mr. Karakhan had shown a sympathetic attitude toward Japan's proposal, he had on the other hand offered some suggestions which were not entirely acceptable to Japan's delegate. The report stated further that Soviet hesitation to express a definite attitude toward Manchukuo recognition was attributed to Moscow's suspicion of Manchukuo-Japanese relations, the impression prevailing in the Soviet capital being that Japan's relations with the Manchurian puppet state were much more intimate than could be judged by the published protocol. A further element in the situation was the expectation in Moscow that Russia might be invited by the League to participate in the forthcoming consideration of the Lytton Report.

That the question of Russo-Japanese relations has become an acute political issue in Japan was indicated in a speech delivered in Tokyo by Mr. Adachi, an influential politician who seceded several months ago from the Minseito Party. Addressing the Kuokumin Domei, a minority party of which Mr. Adachi is now head, Mr. Adachi strongly criticised the present Tokyo government for its recent policy toward Russia. He urged that Japan should not only enter into a non-aggression agreement with Russia but also should adjust a number of other outstanding problems, including the fisheries dispute, and the Chinese-Eastern Railway question. He based his contention on the point that Japan's difficulties with America and the League now made it highly necessary for Japan and Russia to get together. Such an understanding with Russia, in Mr. Adachi's opinion, would clear the international atmosphere and at the same time enable Japan to uphold her Asiatic Monroe Doctrine. Mr. Adachi called attention to the fact that when Russia had previously proposed a non-aggression pact with Japan that such had been coldly received in Tokyo, but now that Japan wanted Russia to recognize Manchukuo, the Russians naturally had countered with their original proposal for a non-aggression agreement similar to the understandings which the U. S. S. R. had negotiated with various European states. On the other hand Tamekichi Ota, who is slated as the next Japanese Ambassador to Moscow, in an interview appearing in the *Mainichi* expressed doubt as to possible advantages which Japan might gain from an agreement with Russia. However, he urged that Japan should proceed in her relations with Russia without regard to the attitude of "third parties." Whether he had America or France in mind was not stated. That the Japanese are somewhat apprehensive regarding the American attitude on this issue was indicated in a *Rengo* interview with Mr. Matsuoka which was telegraphed to Tokyo from Moscow on Nov. 7. In this interview Mr. Matsuoka strongly criticised the American attitude on the Manchurian issue on the grounds that America was fearful Japan's activities would handicap American trade and that America was "vaguely" apprehensive that Japan's actions conflicted with international justice as interpreted in the United States. With regard to the element of French interest in the Russo-Japanese conversations, Mr. Matsuoka told the *Havas* correspondent in Moscow that the negotiation of a pact of non-aggression "would have to follow the usual diplomatic procedure." In a still further interview with *Reuters* correspondent in Moscow, Mr. Matsuoka declared that Japan was not going to Geneva in a "fighting mood." Since Japan already had recognized Manchukuo, "there was nothing left to fight about."

Next in importance to the efforts of Japan to reach an understanding with Russia as an offset to American and League opposition, is the attitude of Great Britain on the Manchurian issue. On Nov. 2 the Manchurian problem was thoroughly discussed in the House of Lords, the object being to clarify the British attitude prior to the opening of the Geneva debates on November 21. Lord Ponsonby, Labor member, urged that Great Britain take the lead in attempting a solution of the question. Lord Lothian, Liberal member, then

followed with a declaration that more was involved in the issue than Manchuria; that other questions hinging on the dispute between China and Japan included the entire matter of sanctity of traties, limitation of armament and even the safety of outlying sections of the British Empire in the Pacific. Lord Allen, National Labor member pressed the Government for a decision that no understanding would be entered into that would not require all powers to respect international treaties. He said it was a most hopeful sign that "whereas the spark of 1914 caused a world conflagration, the same thing had not followed the spark of 1931." Lord Hailsham, speaking on behalf of the Government, said that the British Government would not take a stand for or against the Lytton Report, in fact would not take any "dramatic" step, but on the other hand "would unite with other powers in finding a single policy which might fairly be described as the policy of the League of Nations as a whole. Attempting to attain that policy, it will be the object of the Government to pursuade China and Japan to associate themselves with it." Lord Lothian, the Liberal spokesman, in his remarks recalled the Washington negotiations leading to the conclusion of the Nine-Power Treaty and Col. Stimson's recent remarks on the sanctity of treaties and non-recognition of gains acquired in contravention of treaties as an "extraordinary powerful weapon in dealing with the problem if that weapon were wsiely and firmly handled, otherwise there would be chaos and a long warfare in the Far East."

Of final interest in connection with the League's consideration of the Manchurian question is the matter of continuity of American policy in the event of a change in political administrations in Washington. Anticipating a possible change in political complexion in Washington, the *United Press* on Nov. 1 suggested that United States policies in the Far East are likely to be continuous, regardless of the outcome of the national elections on November 8. The next Administration, whether Republican or Democratic, it is believed, will stand firm for the traditional Pacific policies; sanctity of treaties, "open door" for trade, and the territorial integrity of China. The present policy toward the Manchurian situation was strictly a government policy, and in no sense partisan. It was not seriously criticized by any influential senator or representative of either party in Congress during the last session, and is believed to have been generally acceptable to public opinion. Since the efficacy of the present policy depends entirely upon public opinion, however, some authorities saw a possibility that in the event of a change in administration the popular reaction to the Manchurian situation might manifest itself in new ways.

Thus far there have been no reports indicating the possible attitude of Germany on the Manchurian question, but on Oct. 28 the Japanese *Nippon Denpo* service carried a dispatch from Washington stating that officials of the State Department had received intimations from Berlin that the German Government had no intention of extending recognition to Manchukuo. It was stated that Germany was not likely to recognize the Japanese puppet state "for a long time to come."

Japanese Situation Grows More Critical in North Manchuria

A recent *Reuter* telegram from Harbin stated that it was generally agreed there that conditions in North Manchuria are steadily growing worse. Trade is dead and the Japanese and Manchukuo military forces are making but little headway toward bringing Manchuria under Manchukuo control. The Volunteers are strong both in the east and west. Along the eastern Chinese Eastern Railway the Japanese forces apparently control the line no further than Erho, 225 miles from Harbin, while on the western line they control only as far as Fuliardi, 176 miles from Harbin.

It addition it is reported that they can make little progress westward beyond the Nonni River bridge where General Ma Chan-shan put up such strong opposition in 1931. The Chinese forces are reported to be holding strong positions in the Hingan mountains and some observers declare it will take large-scale military operations to oust them and that this cannot be attempted until next spring.

In the meantime General Li Tu and Ting Chao have established a government in Manchuria which is issuing its own currency. Between them these two generals control east Heilungkiang and North Kirin, while General Su Ping-wen is still in control of west Heilungkiang and General Ma Chan-shan of a good slice of north Heilungkiang.

The Japanese-owned press in Harbin intimates that there is some arrangement between the Volunteers in the west and the Soviet for they declare that through trains are now running between Chalantun, west of the Hingan mountains, and Chita in Soviet territory.

⁂

Gen. Su Ping-wen Releases Japanese Women and Children

General Su Pin-wen announced his readiness to liberate all Japanese women and children detained by his troops outside Manchuli, according to recent reports received from Changchun. The release was hoped to be effected within several days. Japanese men who had never participated in any movement against the anti-Manchukou forces are also given their freedom, it is was stated. The Japanese women and children at Manchuli were recently released and made their way to Meatzivkaya. General Su Ping-wen, who held the post of commander of the railway guards on the western section of the Chinese Eastern Railway under the Manchukuo regime, joined the anti-Manchukuo fold on September 27, when his troops seized control of practically the whole stretch between Tistsihar and Manchuli.

Japanese telegrams reported that the Soviet authorities are rendering every aid to the 121 Japanese women and children who have been evacuated to Soviet territory from Manchuli. The refugees have been offered sleeping-quarters in Railway coaches and Russian physicians and nurses are caring for those in bad health.

Vivid stories are being told of the mutiny of the railway guards under General Wu Teh-lin at Manchuli on September 27, when the Japanese consul, Yamaskai, Captain Obara, chief af the military mission, and Captain Uno, commander of the Japanese frontier guards, were summoned to the headquarters of General Wu Teh-lin's troops and maltreated by the soldiers. Mr. Yamasaki was beaten and kicked, his glasses knocked off and his right eye injured. General Wu Teh-lin demanded that the Japanese frontier guards should be disarmed, guaranteeing in return protection of the lives and property of Japanese residents.

Realizing that his men were hopelessly outnumbered by General Su Ping-wen's troops, Captain Uno ordered the guards to disarm.

National Salvation Army Besieges Tsitsihar

Tsitsihar is being besieged by the National Salvation Army under General Chang Tien-kiu, according to recent reports from General Su Ping-wen, commander-in-chief of the Heilungkiang Salvation Army. The Japanese defenders are assisted by 21 airplanes, which make daily raids on the Chinese lines.

Another message stated that General Po Ping-san's units, heading for Changchiatun on the morning of Nov. 7, reached Shihlipao the same night and proceeded towards Ningnien.

Feng Denies Monarchist Leanings

Marshal Feng Yu-hsiang, now in Kalgan, is stated to be very indignant over reports that he is joining the monarchist group in Manchuria. Replying to enquiries by Dr. Lo Wen-kan, minister for foreign affairs, regarding Japanese rumors linking his name with the monarchical restoration movement Marshal Feng points to his past record to show that there is no foundation for these rumors.

Volunteers Will Start Drive in Kirin as Soon as Ice Freezes

The Chinese Volunteers in northeast Kirin will make a westward push towards Ilan at the confluence of the Sungari and Mutang rivers as soon as the waters are frozen, according to a statement made in Nanking several day by Su Shun-nan, the personal representative of Generals Li Tu and Ting Chao. Mr. Su stated that the Volunteers have already reached Huachuan, 70 miles east of Ilan and their further advance will not be difficult if they are not harassed by Japanese gunboats, which are now operating on the Sungari.

Japanese Bomb Paicheng

A drastic aerial attack was carried out by several Japanese bombers on the morning of Nov. 2 on the military barracks of General Pe Ping-wen at Paicheng, causing many casualties, according to an official announcement by the Japanese Military Headquarter at Harbin. The purpose of the bombing was to rescue Major Shimoeda, Japanese military adviser to General Pe, who has long been confined by the Volunteers, and to "urge the wisdom of reconsideration upon General Pe." Three kinds of handbills were dropped by the planes during the bombing, advising General Pe to surrender to the Manchukuo Government.

"Long Swords" Attack Fenghwangcheng

The walled city of Fenghwangcheng, Fengtien Province, was attacked by a band of about 1,000 bandits belonging to the "Long Sword Body" early on the morning of Nov. 2. The Manchukuo military police, the public safety police forces and Japanese garrison responded to the firing. After five hours of severe fighting the attackers were repulsed, leaving many bodies behind. One Japanese and two Manchukuo policemen were injured.

Hengtaohotze Occupied by Anti-Manchukuo Forces

According to information received by the authorities of the Chinese Eastern Railway at Harbin, Hengtaohotze was occupied by anti-Manchukuo forces end of last month. On October 26 a force of anti-Manchukuo troops about 4,000 strong surrounded and attacked the Japanese garrison at Laha, 70 miles north of Tsitsihar. Although repeated attacks were made, according to information received from Japanese sources, they were withstood by the Japanese until reinforcements arrived and routed the anti-Manchukuo troops.

Volunteers Storm Angangchi Railway Station

The railway station at Angangchi was stormed by the Heilungkiang Volunteers under General Li Hai-ching on the night of Nov. 3, according to a radio message from Hailar. The Manchukuo forces are stated to have suffered heavy casualties. Tsitsihar is now surrounded by the Volunteers. While General Li Hai-ching's units are active along the Harbin-Angangchi section of the Chinese Eastern Railway, those under General Li Tien-te have occupied Chaotung and are acting in concert with the former.

Volunteers Atlack Antachan

Messages from points along the western Chinese Eastern Railway end of last week indicated that a garrison of Japanese and loyal Manchukuo troops were holding Antachan against tremendous odds. It was stated that no less than 30,000 Volunteers had surrounded the city, two brigades of Manchukuo troops from Antachan having deserted and joined the attackers. A small Japanese force and one brigade of pro-Manchukuo forces held the town, fighting against great odds. In order to relieve the pressure Japanese airplanes were sent from Harbin to bomb the attackers. Laha, 70 miles north of Tsitsihar, was invested by Volunteers, daily attacks being made last week on the town by reinforced Volunteers. One report stated that the town had already fallen to the attackers after a long bombardment by artillery, the fire being intensive and well directed. Another report stated that after being taken by the Chinese the Japanese counter-attacked and regained possession of the town.

General Sun Convenes Military Conference

A military conference was recently convened by General Su Ping-wen, commander-in-Chief of the Heilungkiang National Salvation Army, at Chalantun, at which it was decided that troops be heavily concentrated at Chalantun and that three lines of defence be erected at Tuerhchia, Chientseshan and Chuchiakan. General Chang Tien-kiu and Yang Yu-ting were appointed Field Commanders.

At present, his force has been expanded to 50,000 men and these are stationed north of Hsinmin and Linyuan and are obeying orders from General Chu Chi-ching, Inspector-General of the National Salvation Army.

Generals Feng Kuan-hsiung and Liu Yu-kang, repectively Commander-in-Chief and Vice-Commander-in Chief of the National Salvation Army on the Mongolian border arrived at Peiping Nov. 1. At a press reception, General Feng reported that immediately after the Shenyang (Mukden) outbreak of September 18, last year, he recruited a force of 4,000 for resistance against the Japanese. When the Sino-Japanese hostilities broke out in Shanghai, he proceeded south and participated in the fighting. After the cessation of warfare there, he returned to the North-east to resume his opposition against the Japanese.

Japanese Cavalry Detachment Reported Entirely Wiped Out

A *Rengo* dispatch from Tsitsihar on Nov. 8 stated that considerable anxiety existed in Japanese military headquarters regarding a Japanese cavalry detachment commanded by Capt. Kawase which has been missing since Oct. 28. It is believed the detachment has been annihilated by Chinese volunteers. The detachment was ordered to Taianchen for reinforcement of the Japanese garrison which was besieged by some 2,900 volunteers. As a result of search by the Japanese air-force the bodies of 8 Japanese soldiers and 27 horses have been discovered by the remaining 51 are still missing.

Canton and North China Unite to Raise Funds for Volunteers

Public bodies in Canton have launched a drive to raise $1,000,000 to support the Volunteers in Manchuria. These bodies have organized executive and supervisory committees, which will undertake raising the money named. These committees assumed their duties Oct. 24. Efforts will be made to send heavy clothing to the volunteers to help them to face the cold of a Manchurian winter. The movement has strong official endorsement.

Manchukuo to Abolish Extrality

The members of the Harbin legal profession have been informed by Judge Chen of the High Court that Manchukuo is taking steps for the abolition of extrality in Manchuria. Judge Chen mentioned, that the Manchukuo Minister of Justice was in Japan for the purpose of making himself acquainted with legislation in that country. It was intended, he said, to accept the whole or such part of Japanese law as was found suitable for the making of a new law system in Manchuria, after which the Manchukuo government would take the necessary steps for the cancellation of extrality.

Mukden Arsenal to Be Transferred into Civil Corporation

The Japanese War Office announced last week that the military arsenal at Mukden will be transformed into a civil corporation. It will continue making munitions, but it will also turn out material required for the industrial development of Manchuria.

Amnesty Act Loads Shanghai with Many Criminals

Shanghai Municipal Police statistics recently published concerning releases under the Amnesty Act during the past four months, indicate that about 29 per cent. of those incarcerated in the Ward Road prison on June 25, of this year, have been released according to the provsions of the law. Of 7,000 prisoners, 1700 were set at liberty, of these 134 have been re-arrested by the Municipal police, charged with crimes since their release.

Lonely Bachelors and Forlorn Maidens in Shanghai Have a Legitimate Grievance

EVERY few years a wave of correspondence appears in the columns of the senior British daily newspaper in Shanghai, the *North China Daily News* covering such matters as bacheolors, bachelor maids, marriage, the relations of the sexes, opportunities for innocent amusement, and so on. One can hardly read the correspondence without getting the impression that it is incited by clever aids from the editorial department of the newspaper itself. A similar series of correspondence appeared in the *News* several years ago and it is a remarkable fact how closely the points discussed coincide. The correspondence several years ago reached its zenith when a young Russian women replied to complaints made by a British woman that the British husbands were being led to abandon their good British wives by the syren-like qualities of the Russian maidens. The Russian woman countered with a number of reasons as to such a situation arising, capping the climax with the gentle hint that English women were too ardent devotees of athletics, spending the livelong day on the tennis and golf courses, with the result that "they came home in the evening too tired to do anything."

The current correspondence was started by "Bachelor Girl," who stated that she was a newcomer and wished to unburden her woes. She complained that Shanghai was a "man's city," which offered much to the men, but little to the women, "many of whom were all dressed up but with no place to go to." She suggested in a sarcastic vein that dance halls providing male partners, otherwise "gigolos," might solve the problem. So the ball was started a-rolling. One of the first replies was from an "Apollo" who asked to be supplied with "Bachelor Girl's" name and address. "A Widow" having reinforced the opinions of the "Bachelor Girl," "Four Male Bachelors Gay" came to the fray with the taunt that evidently the bachelor girl and the widow lacked allure. These four bachelors agreed in saying that they had yet to meet the girl in Shanghai whose allure, charm of manner, attractive mind and manners were sufficiently good to overcome their love of gin, jazz and joy.

"Another Bachelor Girl" mentioned that an average business girl gets a very moderate salary and is unable to have her own apartment. Of necessity she rents a room in a sordid boarding house and is lonely and uncomfortable. She stressed the urgent need of a residential club for business girls, where for a moderate sum a room could be had including the use of library, dining and sitting rooms, and so on. This, she pointed out, would not only help financially towards a business girl being able to live comfortably at a reasonable price but would also save her from loneliness and bring her in contact with other business girls.

"The Woman Left Behind" wrote that she was one of the energetic persons who some time ago launched a campaign in favor of a free central residential quarter for women, old and young of any religion, nationality and of foreign birth where any honest woman would find a free home, comfortable and at a reasonable price. But the scheme did not receive support.

There had been also a meeting of British and American women's clubs, but they did not agree. The representatives of the two Associations were women well provided for, who had good homes, and they were not in need of one, this correspondent pointed out. The poor lonely women, widows, and girls were left behind without a free comfortable home.

A serious note was injected into the correspondent by the Staff of International Young Women's Christian Association, which stated that "the need for a place for girls to live has long been a burden on the hearts and minds of the Y.W. C.A. Committee and Staff. Three years ago a survey was undertaken to determine the sentiment of the city in regard to the erection of an International Building for business and professional women. But before plans were well under way, the depression began to make itself felt and the hope of this realization had to be deferred. But even a depression cannot last forever and the Y.W.C.A. feels sure that when the girls of the city sense the strength that there is in their unity and will support the idea, that such a building can be assured. Then there would be a place to live, to make friends, to entertain, to discover some of these lonely bachelors, and to satisfy the very legitimate longings which have been expressed in the pages of your paper."

The editor of the local organ of the Shanghai Boy Scouts and Cubs likewise offered a serious suggestion. He said: "The local Boy Scout Association is just crying out for Leaders for both Scouts and Cubs. We cannot promise them a flying round of social activities—in fact we can hold out very little more than Garibaldi held out to his famous band—but we want men and women of ability, of ideals and of principle to help on the work."

⁂

The majority of the contributions were, however, frivolous, sarcastic, or nonsensical. Nevertheless, after all is said and done, there is a genuine need in Shanghai for an organization or organizations which will supply a healthier locale for the meeting of the two sexes, particularly the young, than any that now exists. Shanghai has a plethora of cabarets, dance halls, and houses of degrading pleasures—probably more per capita than any city on earth. Night life in recent years has become so important a part of Shanghai existence that the advertisements in the daily newspapers which cater to it take up the greater part of their space. In fact the point has been reached where it is doubtful whether some of the daily newspapers now being published here could continue their existence if this particular class of advertisements disappeared from their columns. But the real reason for the existence of these exotic places of amusement is that nothing better is provided. Denied more healthy opportunities of meeting members of the fair sex on common

ground, the Shanghai male population, and also the stranger within our gates, flock to the cabarets, dance halls, gin palaces, and many other establishments of kindred or baser quality, paying dearly for a few moments of unrequited and commercialized companionship, whereas the greater part of them would much rather spend their leisure hours in society of a nobler kind, that is, provided it were available. But, with few exceptions, such opportunities for social companionship do not exist, or what amounts to the same thing, they are not known to exist. With the enormous numbers of missionary societies, church organizations, and religious establishments that have their centers in this city, drawing money from all parts of the earth, it is really a shame that conditions as they exist in Shanghai should continue. Too many excellent and religiously-minded people are much too apt to approach such a subject in a lofty and militant manner. They would like to see all these "sinful" places closed, by force mostly. But the really effective and sensible, not to say Christian manner, of opposing them, is to provide healthy competition in more noble surroundings.

China Urges Ratification of Annam Agreement

The Ministry of Foreign Affairs during the week took up with M. Wilden, French Minister, the question of the enforcement of the Sino-French Agrement regarding Annam. This Agreement was signed, some time ago, but it has not yet come into force, as the French Government has delayed ratification. This delay is stated to be causing serious hardship to Chinese nationals in Annam.

Annam Merchants Urge Ratification of Treaty

Huang An and Hsu Ying-hsien, representing the Chinese merchants of Annam, were received at the foreign office in Nanking Nov. 7 when they urged the authorities to press the French Govenrment to ratify the Sino-French agreement regarding Annam which was signed in May, 1930. The delegates pointed out that until the agreement came into effect, Chinese nationals in Annam would be treated as citizens of non-treaty powers and deprived of the tariff privileges they originally enjoyed under the agreements that had expired. The position of Chinese merchants in Annam had become especially difficult since the conclusion last August of a Franco-Japanese commercial agreement providing for reciprocal tariff preference.

Foreign Ministers to Visit Nanking to Discuss Pending Questions

A spokesman for the Foreign Office announced at Nanking, Nov. 6 that the American, British, French, German, Spanish, Italian, Belgian and Brazilian ministers will visit Nanking shortly, some of them to discuss with the National Government authorities the Lytton Report to the League Council, while others will negotiate for the revision of commercial treaties between their countries and China.

In this connection, it is stated that a protest will be lodged with the French Minister against his country's non-performance of the treaty concluded in May, 1930, regarding Annum.

Nanking to Collect Taxes from Foreigners

Identic notes were sent to the ministers of all foreign powers Nov. 5, advising them that the National Government intends to proceed with the collection of the business tax from all foreign merchants throughout the country.

End of English Cotton Strike

Work in the Lancashire spinning mills was resumed full swing November 7, after a stop of a week. A joint committee of operatives and cotton spinners agreed to ratify last week's 14 per cent. wage reduction.

Roosevelt Defeats Hoover for President

The elections held in the United States November 8 resulted in an overwhelming victory for Franklin D. Roosevelt for President and his running mate John Nance Garner for Vice President. Mr. Roosevelt is at present governor of the state of New York and Mr. Garner, representative from Texas, is speaker of the House of Representatives. Roosevelt's popular vote exceeds Hoover's by about four millions. The prinicipal state carried by Hoover was Pennsylvania, where Republicans are firmly entrenched because the prosperity of that state to a great extent depends on the high tariffs which the Republican party fosters. New Hampshire, Maine, Vermont, Connecticut, and Delaware also went Republican.

The Democrats have thus come into power for the fourth time since the Civil War, and on each occasion the Democratic President has had a distinct sort of fame. In Grover Cleveland's case he was re-elected after having been out of office for four years, thus accounting for the fact that although the Democrats have been in power three times, they have only had two Presidents. President Wilson had the distinction of being the only President ever to have left the country while in office, he having gone to Paris to attend the Peace Conference. He it was also that guided the destinies of the country before, during and after the Great War. In Roosevelt's case he has the same name as the famous "Teddy," but he is only distantly related to that family; and is a Democrat and not a Republican as was the impetuous Theodore.

Author of High Tariff Bill Is Defeated

In addition to president and vice-president, there were elections for governors in 34 states, for 32 U. S. Senators, and 435 members of the House of Representatives for the Seventy-third Congress. Senator Reed Smoot from Utah is among those defeated. Colonel Robert Lehman, Democrat, succeeds Franklin D. Roosevelt as Governor of New York State.

The elections in the United States were watched throughout the world this year as never before. Even here in Shanghai the pupils of the American School held an election. They "elected" Hoover, however, the vote being in the ratio of more than 2 to 1.

Hoover, having been in China in his early days, Chinese generally took a sympathetic interest in his candidacy, the more so that his Secretery of State, Col. Henry L. Stimson took an unequivocal and strong attitude against the Japanese in their Manchurian adventure. For this same reason, the Japanese favored the election of Roosevelt, and his election is being celebrated with bonfires and "banzais" in the Island Empire. The Democrats are believed by the Japanese not to take so "strong" an attitude against Japan as the Republican administration did. Whether their hopes are justified remains to be seen.

The Soviets also will be glad to see Roosevelt elected as they hope that the Democrats will relent from the Republican policy of non-recognition. For America to recognize them will be the greatest diplomatic victory that the Soviets have ever won.

Causes for Hoover's Defeat

The principal reason for the defeat of Hoover is the fact that his administration coincided with the worst financial and commercial depression that America has ever experienced in all its history. Under such circumstances many a voter was inclined to blame the Republicans because they were in power, the more so as great promises had been made by Republican supporters at the time he went into office. Hoover's undoubted business ability has been reflected in several bold policies, such as his debt and reparations moratorium, but what was most needed in the crisis was a politician, and that Hoover was not. The tariff, farm relief, and prohibition all conspired to defeat him. The tariff was blamed for causing other countries to retaliate with similar tariffs. Farm relief proved illusory; and as regards prohibition, the frankly "wet" platform of the Democrats appealed to the nation more than did the Republican "straddle."

Following two similar attempts during the past month another attempt was made Nov. 8 to wreck the special train on which President Hoover was traveling in a lonely part of the state of Nevada. It was frustrated by railway guards, who discovered dynamite charges placed on the track. The charges were removed just before the President's train passed.

The Lytton Report: An Appraisal

BY SHEN HSUEH-CHUAN (沈雪傳)

SINCE its publication a month ago, the official summary of the Lytton Inquiry Commission' Report on Manchuria has been subjected to a very close and minute scrutiny by the press all over the world and opinions on it range all way from unreserved commendation to utter condemnation. In the eyes of the Chinese, however praiseworthy it may seem in some respects, the Report is an impracticable document and is not likely te have any great effect upon the real situation. As a whole, the Report has failed in its primary purpose of finding out a satisfactory means for the solution of the Manchurian Crisis, because its recommendations have given too much consideration to Japan's alleged interests in Manchuria, but neglected Chinese sovereign rights in the territory. The suggested creation of what almost amounts to a joint administration of Manchuria by China and Japan and employment of Japanese and other foreign advisors have the effect of depriving China of her sovereignty over the Area and placing it under international control with the Japanese dominating its affairs. Such recommendations greatly disappoint the Chinese and no Chinese Government can approve them without incuring the nation-wide censure and opposition to it. Further, the Report made several unfounded allegations regarding China and the Chinese Government and has committed several errors in fact and in interpretation of events. Since the Report has been exhaustively discussed by many people, it is the purpose of this article to consider several mis-statements which need further refutation in order to uphold justice and rectify the misconceptions of the Commission.

One of the most serious errors in fact in the Report is the wrong location of the Chientao District in South Manchuria of Liaoning Province, as its right location is in Kirin Province. Regarding the matter of unfounded allegations, the Report openly charged the Chinese Government and the Kuomintang with creating anti-foreignism and abbetting the Anti-Japanese boycott movement. As a matter of fact, the first needs no refutation, because the Chinese people have never been provocative or blindly anti-foreign. As to the second allegation, the boycott movement against Japan has been enforced by the people as a protest against the armed seizure of China's Three Eastern Provinces and the destruction of Shanghai. It is and has alway been a mass movement. In point of truth, it has always been frowned upon by the officials rather than encouraged by them. Further, there is nothing inherent wrong in boycott as a means of self-defense and its legitimateness as a self-defense measure has been recognised by the League of Nations, as Article 16 of the League Covenant expressedly provides that boycott can be pursued as a legitimate weapon of the weaker country to resist the military aggression of a stronger country. Indeed, it is a matter of regret that the Commission should have severely criticised the boycott movement instead of stressing upon evil consequences brought about by Japan's armed aggression.

In considering the alleged interests Japan claims to possess in Manchuria, it is most surprising to find that the Commission has given recognition to the notorious "Twenty-One Demands". Those demands were forced upon the former Peking Government and have never been recognized. The former Chinese Parliament at Peking had never ratified them and consequently they were invalid *ab initio*. Therefore, it is impossible for China to recognise any claim of the Japanese based upon those one-sided demands. Further, among all the treaties concluded between China and Japan (excluding the infamous Twenty One Demands), there is no article or provision wherein China expressedly granted administrative right to Japan in Manchuria and the administrative powers she now enjoys in the S. M. R. Zone are the effect of her seizure rather than based upon valid treaty provisions. One of the principal objections to the Report is that it has laid undue emphasis upon the accomplished illegal acts on the part of Japan, while the vital interests of China have been overlooked.

The Report also alleged that that Japanese were largely responsible for the development of Manchuria and that without Japan's activity, Manchuria could not have attracted and absorbed such a large population. In the face of it, the statement seems plausible, but as a matter of fact, the opposite is the truth. While exploiting Manchuria for her own selfish interests, the Japanese have really hindered its progress and development in many respects. They interfered with the Chinese Administration and furnished money and ammunition to the bandits to disturb the peace, making a stable Government in Manchuria an impossibility. To weaken the people in Manchuria physically, they sold them opium, heroine and other poisonous drugs in violation of Chinese law which greatly demoralized their spirits. Fearing the competition of the Chinese, they hindered the development of Chinese industries and commerce and prohibited the construction of railways. In one word, Japan has exploited Manchuria for her own benefits and it seems ridiculous for the Commission to credit her with the benevolent intention to develop Manchuria in order to attract China's hunger millions to Manchuria.

Despite its praise by many people, the Report in its own merit is no credit to the League of Nations. On the contrary, it constitutes a damaging proof of the League's lack of authority and in this way, hurts its prestige. Prior to the appointment of the Commission, the League adopted many resolutions, enjoining the discontinuance of the acts of aggression and hostilities and the withdrawal of the Japanese troops to the South Manchurian Railway Zone. But the Report not only failed to uphold the decisions of the League but purposedly evaded any mention of them at all. If the Report is really meant to vindicate justice and maintain the prestige of the League, it should have recommended the restoration of the *status quo ante* in Manchuria with improved Chinese Administration and complete retirement of the Japanese troops from Manchuria with a small force to be stationed along the South Manchurian Railway. But the League is powerless to do that and has to bow before Japanese Militarism.

The proposed Advisory Conference with Japanese and Chinese representation to discuss the creation and establishment of a new regime in Manchuria constitutes a distinct violation of the Chinese sovereignty. Since the Report openly and rightly recognises that Manchuria is a Chinese territory, such a recommendation is absolutely contradictory with its own admission. As a sovereign power, China is the only country in the world which alone has the authority to determine its organization and administration; any interference by a second party would be prejudicial to her sovereign rights In view of its incompatibility with the Chinese sovereignty, the recommendation is impossible of acceptance on the part of China.

In conclusion, it may rightly be said that the Report, though commendatory in some respects, is on the whole a very unsatisfactory document and is not likely to have any practical value as a working measure for the settlement of the Manchurian situation.

Peiping, Nov. 5, 1932.

Ramsay MacDonald Will Preside at Indian Round Table Conferece

The list of British delegates to the forthcoming Indian Round Table Conference was published in London, Nov. 4. The Conference will be presided over by the Prime Minister, Ramsay MacDonald. The task of the forthcoming conference, according to *Reuter*, is to harness the aspirations and ideals of its predecessors to the realities of Indian political conditions and British Parliamentary responsibilities.

Gandhi Threatens to Resume Fast

Mahatma Gandhi has threatened to resume his "fast unto death," unless the caste Hindus carry out the Pact of Poona for better treatment of the "untouchables." He demands that the famous Temple of Guruvayorr, Malabar. S. India, be opened for "untouchables" by the New Year.

Allahabad "Pioneer" to Be Controlled by Indian Princes

A syndicate headed by J. P. Srivastava, Minister of Education in the United Provinces, has purchased the *Allahabad Pioneer*, in which the Maharajahs of Kashmir, Baroda, Gwalior, Travancore, Bikaner, Patiala, Jaipur and Bhavnagar and the Nawab of Bhopal have promised to buy shares, according to information received here recently. The policy of the newspaper under the royal directorate will be anti-Gandhi and anti-Indian National Congress. Edwin Haward, now editor of the *North China Daily News* at Shanghai, was editor of the *Pioneer* prior to his appointment to the India Office.

China Carries on Constructive Work Despite Civil Wars

Long Distance Telephone to Connect Tientsin and Tsinan

Preparations are under way by the Hopei Provincial Department of Reconstruction for the installation of the long-distance telephone line between Tientsin and Tsinan. The necessary appropriations have been obtained, and it is hoped to have the construction work completed within a month.

Efforts to Improve Kwangtung Shipping

With a view to improving shipping facilities in the Province of Kwangtung a Port Affairs Administration has been formed in Canton. Among its duties will be that of arranging for the erection of new public whares and warehouses as well as for the construction of breakwaters. The new administration will also undertake the dredging of harbors in the province and will see to quarantine regulations and to the proper working of the harbor lights.

Goods Roads as Aids to Bandit Suppression

The Highway Conference, convened by the Commander-in-Chief's Headquarters of the Honan-Hupeh-Anhwei Bandit-suppression Forces, was opened at Hankow Nov. 2 in the presence of over 20 representatives from the Honan, Hupeh, Anhwei, Kiangsi, Chekiang, Kiangsu and Hunan Provincial Governments, the General Staff Department, the National Economic Council, and other interested organs.

General Chu Shao-liang, Chief Counsellor to the Headquarters, who presided over the ceremony, dwelt on the keen of co-operation among the Government, the military and the people in road-construction. He suggested that trunk roads be completed to demonstrate to the people the benefits of highways so that they would readily lend aid in the completion of a regular system of highways.

Money Raised to Complete Nanking Waterworks

A contract was signed at Nanking October 27, between the Municipal Bureau of Finance of Nanking and a banking syndicate headed by the Bank of China for a loan of $300,000 for the completion of the Nanking Waterworks. The work of installation was stated some time ago, but due to the financial difficulties of the Municipal Authorities, progress has been very slow.

Ministry of Industry Inspects Steel Works Site

Chen Kung-po, Minister of Industry, visited Saddle Mountain (Ma-an Shan), in south-eastern Anhwei during the week to inspect the proposed site of the Government Iron and Steel Works. The Minister made use of an airplane to inspect the neighborhood of the mountain. He was accompanied by Messrs. Mei Che-shih Liu Yin-ti and Huang Chin-tao, respectively Directors of the General Affairs, Industry, and Mining Departments as well as several technical experts of the Ministry.

Highway Construction Proceeds Apace

A recent Nanking message stated that before February next four new highways linking up the leading cities of Kiangsu, Chekiang and Anhwei will be completed by the local authorities under the supervision of the National Economic Council. These are the Nanking-Wuhu, Hangchow-Wuhu, Hangchow-Huichow, and Soochow-Kashing Highways.

Proposed Steel Works to Be Erected by German Interests

Chen Kung-po, Minister of Industry, in a statement issued at Nanking Nov. 6 stated the terms of the contract with German interests for construction of steel works in China have been agreed upon but formal signature is being held up until the question of the site is settled. According to the draft agreement, the German interests are to provide all the necessary machinery and equipment, subject however to the concurrence of the Ministry regarding prices and types of machines. For this purpose, the Ministry will appoint experts to investigate the various machinery and equipment and comparative prices at which they are offered by manufacturers in Germany, Britain, America and other countries. Minister Chen declared that owing to the limited amount of capital, the proposed Works is planned to produce only about 500 tons of steel daily, which will meet only about one-fifth of the total demand for steel in China. Regarding the capital of the proposed Works, he said that the total capital has been tentatively fixed at $80 millions; of which $10 millions will be used for the exploitation of the Lishan coal mines, $49 millions for the construction of the Works and purchase of the necessary equipment, and $21 millions for the exploitation of the Yihua and Yuhua iron mines. He intimated that half of this amount, namely, $40 millions will be raised through the issue of Government treasury-bills.

New Filtration Plant for Nantao Waterworks

The new filtration plant of the Nantao Waterworks Co., 592 Pan Sung Yuen Road, which was built recently under the personal supervision of Vincent Tong, engineer-in-chief of the company, was opened for public inspection Nov. 4, with appropriate ceremony. The Nantao Waterworks Co. was founded in the 23rd year of Emperor Kuang Hsu of the Ching Dynasty by a group of leading Chinese merchants and in the 28th year, it began to supply water to residents living in Nantao. In 1914, the company was taken over by the Government, but the following year its control was re-transferred to private merchants. In 1928, a series of regulations governing the reorganization of the company was published by the Chinese authorities. In accordance with these regulations, new machinery was installed and work was commenced on the construction of a new filtration plant. According to Mr. Tong, the company is now able to supply daily 14,000,000 gallons of water and this quantity can be increased by 40,000,000 gallons in summer.

Minister of Communications Investigates Utility Services in Shanghai

Chu Chia-hua, the new Minister of Communications, arrived in Shanghai during the week to conduct investigations into the financial condition of the various government-owned public utilities here, as a prelude to an extensive reorganization scheme. It is understood that Mr. Chu will pay special attention to the China Merchants Steam Navigation Company and the China National Aviation Corporation. He will also inspect the postal service, and the Shanghai Governmental Telegraph and Telephone Administrations, together with the Chinese International Telegraph Bureau.

Oil Development in Kweichow Urged by Provincial Officials

The Provincial authorities of Kweichow are embarking upon a big scheme for the exploring of oil wells in the province and also for the construction of a railway line and motor roads to link Kweichow with the principal centers of Kwangtung and Kwangsi in order to facilitate the transportation of its petroleum to other parts of the country.

Official representatives of the Kweichow Government who are conducting negotiations with the Canton authorities for their co-operation, declare that the oil wells in Kweichow are capable of putting out $3,000,000 worth of petrol annually and propose that a joint effort be made by the three Northwest provinces to develop the industry.

Lin Sen Returns to His Post at Loyang

Lin Sen,, the venerable chairman of the National Government, departed from Nanking Nov. 6 for Loyang, the nominal capital of the China, making the journey by train. Interviewed by pressmen before his departure, Lin Sen declared that though in principle the third plenary session of the Central Executive Committee ought to be held at Loyang, as it was the capital, the matter had not yet been settled definitely. Questioned concerning the possibility of removing the capital back to Nanking, Lin Sen declared that this was improbable at the present juncture.

Special Grant Given by Municipality to Late Dr. Hu's Family

As a tribute to the services rendered to the Greater Shanghai Municipality by the late Dr. Hu Hung-ch,i deceased Chief of the Publie Health Bureau who was killed in an autombile accident on the Hangchow highway on October 10, the Municipality of Greater Shanghai has made a compassionate grant to relatives of the deceased amounting to $4,000 special allowance and an extra $1,000 for funeral expenses. This sum is in addition to seven months' salary paid to deceased's relatives.

Liang Tso-yu, Shantung Millionaire, Turns Out to Be Impostor

It is a generally accepted truism that there are "Ups" and "Downs" in life, but scarcely an instance occurs where the "Up" is so phenomenal and the "Down" so precipitate as in the case of China's "fictitious God of Wealth" from Shantung, Liang Tso-yu. Just about three weeks ago, Liang's name, which had never been previously heard of, was suddenly on everybody's tongue as China's multi-millionaire patriotic citizen and volunteer contributor of the huge sum of $30,000,000 to the National Government; but the latest news from Nanking has it that he is now subsisting on coolie fare at the Capital and is begging a little travelling fare to return to obscurity in his native province. But Liang, if he is a good "sport," should not grudge against "Luck," because after all, his "stunt" has proven worthwhile and has won him fame and renown, if not "fortune." As a penniless coolie-farmer from a neglected corner in Shantung, he has enjoyed a first-class passenger trip on the Tientsin-Pukow Raliway from Shantung to Nanking, has seen high Government Officials, received visits from them, prided himself in maintaining his quarters at Nanking's biggest and most expensive hotel, has been given free nation-wide publicity by the press, and has had the satisfaction of being titled "China's Multi-millionaire and Shantung God of Wealth." Indeed, it is quite a career for an ordinary poor farmer, much more so far a hunchback, which must be envied by many of his crippled fellows. Even Liang's family in China should feel proud, for among its members, it has produced at least two "Gods of Wealth", one genuine in the person of Liang Shi-yi and another spurious in the person of Liang Tso-yu.

Liang's proferred contribution of $30,000,000, to the Nanking Government aroused quite a sensation in China. At one time, there was considerable speculation both in official circles and by the public. Conflicting reports have been in circulation, some crediting him with being an enviable owner of millions while others branded him as a penniless adventurer, but he had all along maintained that he had his millions and the entire contribution would be remitted to Nanking in a "short time." But by now, the whole mystery has exploded. Official investigations made in his native town, Hwang Hsien in Shantung, have identified him as farmer owner of three mud huts and 1.60 mow of land, while his own admissions at Nanking confirm that he is a poor country yokel from Shantung. He said he did not possess the millions and had come to Nanking with the idea of pleading with the Ministry of Finance to enable him to raise a sum of money in his native province so as to realise his "ingenious national salvation plan."

Interviews Nanking Officials

Liang's sudden rise to nation-wide prominence or notoriety is very interesting. Two things are chiefly responsible for the sensation: an official recommendation from Gen. Han Fu-chu and wide and ceaseless press publicity. According to reports from Chinese papers, Liang first approached Gen. Han with an announcement of his intention to contribute $30,000,000 to the National Government and somehow Gen. Han was impressed by him as to the truth of his statement. In turn, Gen. Han recommended him to Gen. Chiang Po-chen, who was then at Tsinan mediating the controversy between Gen. Han and Gen. Liu Chen-nien over the Eastern Shantung problem. Gen. Chiang flashed the good tidings to Nanking which brought back a response from the Finance Ministry, asking Liang to pay a visit to the Capital City. Liang was presented with a first-class passenger ticket on the Tisntsin-Pukow Railway by Gen. Han and armed with two letters of recommendation, one to Gen. Ho Ying-ching and the other to T. V. Soong, he rode magnificently to the Capital. After taking up his quarters at the Nanking Hotel, Liang waxed busy in interviewing the leading Government officials. He first called on War Minister Ho Ying-ching and was later granted an interview by Finance Minister Soong. He also took an opportunity to see Chang Ching-kiang, China's crippled statesman and veteran Kuomintang leader and had a long talk with him over the present situation. In his conversations with all the Government officials, Liang talked glibly of his millions and his intention to contribute them to Government for the country's salvation, with but one reservation that the distribution of the money should be left in his hands. In one instance, he offered an ingenious plan to the Government, whereby China could recover Manchuria in 108 days. By this time, Liang's name had become widely known and he was virtually regarded as an incarnation of the God of Wealth. Chang Ching-kiang praised him as a remarkable man and commented upon his proferred contribution as a remarkable event. The Ministry of Finance was particularly attentive to him and had appointed an official to his assistance. To further ingratiate itself into Liang's favor, the Ministry is said to have treated him as its guest while at Nanking and undertaken to bear his expenses.

Things went on well and Liang was daily honored with calls by distinguished visitors and greeted with huge piles of letters and telegrams, offering plans and suggestions as to how his millions could be best spent for the benefit of China and the Chinese people. In the meantime, Liang openly promised his visitors and newspaper reporters that his millions were on the way and due in Nanking shortly. But day after day elapsed and his promised millions failed to forthcome. Suddenly, suspicions arose in the Capital as to whether he was really a multi-millionaire as he claimed to be or whether the whole affair was just a humbug and the man an impostor. Officials began to turn a cold shoulder towards him and the accountant of the Nanking Hotel, worrying over the hotel bills, was said to have approached him for a settlement, although this was denied by the Hotel. In the middle of October, Liang mysteriously disappeared. A few days later, messages from Hankow brought the news that the Shantung hunchback millionaire had arrived at that river-port in an attempt to see Gen. Chiang Kai-shek. His efforts met with rebuff and instead of being granted an interview, he was served with an order of expulsion from Hankow by the Commissioner of Public Safety. Sensing what the order means, Liang wisely made a quick exit and evacuated the city.

A Penniless Shantung Farmer

There have been many reports in circulation as to the truth of Liang's claim to millions and the real or supposed sources of the fabulous amount of money. One report says that Liang is a penniless farmer and his proferred contribution consisted of nothing but a humorous plan that Shantung has a population of 30,000,000, and that if every person could be persuaded to contribute just one dollar, the contribution will amount to a total sum of $30,000,000. Another report credits him with being owner of a chain of cotton mills, coal mines and silk stores, and his offer was not hoax. Still other reports have it that Liang actually holds a cheque for a fabulous sum, left either by the late Gen. Chang Chung-chang or Chu Yu-pu, the former military Governor of Chihli. The millions are on deposit in a foreign bank and it is this money that he intended to contribute to the Government. Latest though not the last report says that Liang had been requested to contribute this money by another multi-millionaire in Tientsin by the name of Wong Lung (could he be the same Wong Lung in Mrs. Pearl Buck's novel, "The Good Earth"?). Wang is said to be an untutored farmer and is afraid of seeing Government officials.

Finally, according to reports from a supposedly reliable source, the real truth about the whole affair has been learned. The substantial facts are somewhat as follows: The late Gen. Chang Tsung-chang had deposited while he was Governor of Shantung a sum of $700,000.00 Shantung Provincial Bank notes in a Japanese Bank in Tsinan. When he made his last trip to Tsinan, he called on the Bank to withdraw his deposits. The Bank officials were reported to have said to him that he could withdraw his fund, but they would refund him in the same Provincial Bank notes as they were originally deposited. They requested him to wait for a few days to allow them time to collect the notes. Chang on hearing of this abruptly left the Bank and disgusted with the matter, he cast aside his deposit book to one of his aides, asking him to keep it, as he knew the notes were absolutely worthless. On the next day, when Chang was returning to Peiping, he was assassinated at the Railway Station and the matter became shelved. After the furore created by his assassination was over, the aide suddenly recalled the Bank deposit. As he is illiterate and did not know how to obtain the money from the Japanese bank by himself, he consulted his friend, Liang Tso-yu; and it was here where Liang's part in the affair began. He asked Liang whether he knew the foreign langauge. Liang in all honesty replied in the negative, but he claimed he knew the foreign figures. Then, Chang's aide became hilarious and said to Liang that was just the thing needed and his knowledge could bless him with an enormous fortune.

Then he showed him the deposit book left by Chang and asked him how much money there was in the Japanese Bank. Our half-baked expert of Arabic figures had a close look at the figures and counted one figure 7 plus seven zeroes. Without a second thought, he pointed to his friend that there were $70,000,000. Then, the two men had a serious discussion of the fortune and as they realized that they could not possibily obtain the whole sum from the Japanese Bank by themselves, they hit upon the bright idea of seeking the Government's aid to realize the money, offering the authorities a contribution of $30,000,000, and retaining the remaining $40,000,000, to be shared between themselves. This is said to be the real story how Liang approached Nanking with his offer and caused a sensation. It is said T. V. Soong had seen the deposit book and pointed out the mistake in calculation of the amount. He said whatever the sum may be, the money could not be realized, because the Japanese will refund in worthless Shantung Provincial Bank notes. But not disappointed by this authoritative opinion, Liang is still dreaning of his millions. C. H. H.

French Concession Chinese Object to Increased Land Assessments

The Chinese Ratepayers' Association of the French Concession has addressed an appeal to the French Consul-General at Shanghai requesting a reduction of house rents in the Concession which, it is pointed out, can be brought about by assessing all land at normal value.

"In the opinion of our Association it is urgently desirable that house rents in the French Concession should be reduced," the petition reads. "This reduction can be brought about by assessing the land at normal value. The French Municipal Council, however, is raising the assessment of land in the hope of increasing the municipal rate. This will prove to be a death-blow to trade and you are requested to lower the assessed value of land to permit our Association to elect two members to join the Land Assessment Committee."

Philippine Politician Says Japan Never Wanted the Philippines

Manuel Roxas, speaker of the House in the Philippines legislature, in an address before the Cincinnnati (Ohio) Chamber of Commerce, Nov. 1, stated that Japan had never wanted to possess the Philippines in the past and was not likely to develop a desire for them in the future.

Mr. Roxas predicted early passage of the Philippines Independence bill in the Senate in December and said it only remained for differences between the House and Senate Bills to be ironed out. The House has already passed an independence bill.

The future of the Philippines could be amply protected by neutrality treaties and the bills now before Congress provided for these, he said.

Female Detective Causes Arrest of Communist Suspect

Female detectives are being used by the Nanking Government in their efforts to stamp out communism, according to disclosures made in connection with the arrest last week of Miss Lee Siu-tsung, suspected communist agent, on Kiukiang Road, Shanghai. Accused was brought before the First Branch of the Kiangsu High Court. Giving evidence for the prosecution, Miss Chang Ah-tsung, the female detective responsible for accused's arrest, stated that she formerly worked together with accused in the local Communist Party. Accused is a graduate of the Hunan Middle School. She was ordered to be handed over to the Public Safety Bureau.

Japanese Ex-Service Men Urge Closer Sino-Japanese Relations

Taking advantage of the occasion of the birthday anniversary of the late Emperor Meiji, November 3, 7,000 ex-service men of Toyohashi City, Aichi Prefecture, sent a joint statement to the leaders of the Republic of China, including General Chiang Kai-shek, Marshal Chang Hsueh-liang and others, laying a stress on the vital necessity of establishing closer Sino-Japanese friendship,, advocating the "Oriental Monroe Doctrine" to ensure a permanent peace in the Far East.

China Merchants Steam Navigation Company Is Insolvent

The China Steam Navigation Company could not even make enough profit to pay the interest on its debts, declared Li Kuo-chieh the general manager of the company, on arriving at Nanking from Hankow Nov. 4, after an inspection of the Company's property at Yangtze ports. Li Kuo-chieh disclosed the fact that at least $415,000 was required every month for amortisation and interest charges and the company was faced with a monthly deficit of $200,000. He said that no further loan could be raised, since most of the Company's property was under mortgage already. Rumors have lately been current regarding an alleged re-organisation of the company, but they were denied by an official of the Ministry of Communications, who stated that in the absence of adequate funds to clear off the company's accumulated debts mere reorganisation would not help matters.

Dutch Youth with Communist Sympathies Caught in Raid

Joe Gogolateo, a Dutch subject aged 19, who was detained by police of the political branch of the International Settlement when he was found in a room with four Chinese communists at 627 Tuh Ching-li, off Muirhead Road several days ago, while a meeting was in progress, was released by the Netherlands consul-general who determined that no incriminating evidence was introduced.

Gogolateo, who also went by the name of Yu Wu-chiu and Yu Wu-chee, signed a written declaration in the consulate promising that he would not be connected with any further communist activities here and that he would leave for his homeland within a week. Four Chinese communists were rounded up with Gogolateo in the police raid which was a sequel to several arrests made in the French Concession by French police.

British Sportsmen Released by Chinese Authorities

C. L. Martin and J. O. Martin, the two British subjects who were held last week by the Chinese authorities at Pinghu, Kiangsu province, because a few pellets of their shots intended for pheasants had hit a Chinese farmer and his wife, have in the meantime returned to Shanghai. The British authorities made an appeal to Nanking and the local authorities released the Britishers on orders from the Central Government. It is understood that the matter is being settled by the two Britishers paying damages to the injured Chinese.

Local Banks Send Much Silver to Manchuria

Several shipments of silver were made during the course of the week to Manchuria, totalling more than a million dollars. Several leading Chinese banks in Shanghai, including the Bank of China, are said to have been involved in the exportation of silver to the Northeast. Ling Kang-hou, general secretary of the Chinese Bankers Association, stated that the money was being sent to enrich the cash reserves of the Manchuria branches of local banks in order to meet the needs of depositors, who have been in a critical condition financially as a result of the troublous state affairs in the Northeast.

New Building of Nanking Observatory Nears Completion

With the arrival of the entire consignment of scientific instruments and apparatus ordered from France and Germany for the Central Observatory at Nanking, work on the construction of the new building at the Purple Mountain is being accelerated. One of the three glass domes of the Observatory has already been completed and work is now starting on the second. It is expected to have the equipment completely installed by next February.

Bomb Outrages in Former Capital

Four persons were injured on the evening of Nov. 4 when a bomb exploded outside the entrance to the Chung Yuan Department Store, a large shop on Morrison Street, not very far from the Legation Quarter in Peiping. This outrage was the second of the kind within 24 hours, a silk store having been bombed the previous evening, when four people were also injured.

The Development of the North-West of China

BY C. Y. W. MENG (孟長泳)

THE Executive Yuan, in an order, instructed the Ministries of Interior, Industries, Communications, Finance and Railways to jointly draft plans for the industrial development of the North-West. It is learnt that a meeting of representatives of these five ministries will be arranged shortly for the purpose.

This is certainly an important and practicable move taken by the National Government. The North-West part of China consists of the following provinces whose areas and density of population are shown in the table below:

Provinces	Areas (in Sq. miles	Population	Density of population per sq. mile
Shansi	186,611	11,802,124	63.6
Kansu	389,216	7,422,818	19.15
Suiyuan	310,969	2,123,915	6.83
Linghsia	233,320	1,000,000	4.29
Sinkiang	1,822,720	2,567,640	1.41
Chinghai	707,021	1,500,000	2.12
Total	3,649,917	26,416,497	7.24 (average
WholeChina	11,103,320	445,000,000	40.08 (average

That is to say, the total area of the six provinces in the North-West is about one-third that of China, and the population is only about 5/100 of the total.

According to the Chinese Post Office figures in the Chinese Year Book (1931 edition) the population density of Kiangsu province is 986, Chekiang 657, Shantung 614, and Hopei (Chihli) 331. When this is compared with the above table, one can see the amazing difference in the population density in China! One can also come to the conclusion that China is not densely or over-populated but rather "unevenly populated!

Therefore, it is fair to say so long as these six provinces in the North-west, which constitute one-third of China in area, remain undeveloped, China can not claim to be developed. It is equally fair to say that if China could take steps to develop these provinces, China would have solved many of her pressing economic problems, such as the density of population, unemployment, etc.

"Second Manchuria?"

The Western Frontier Affairs Committee in Nanking called a meeting on October 23, 1932, of representatives of Kansu, Linghsia, Chinghai (Kokonor) Sikong, Tibet, Szechuen, Shansi, Yunnan, and Kweichow to form a "big union" to oppose foreign aggression. Aside from presenting the usual petition to the National Government, they urged the attention of the Government to quickly take steps to develop the North-West, and not let the North-West become a 'second North-East' (Manchuria)." The following are some of the resolutions adopted and presented to the Government:—

1. To urge the Government to quickly take up such matters concerning the North-West, so as to remove all the "hidden danger" from becoming a "second North-East" (Manchuria), (meaning by this, to urge the Government to take up such matters concerning the North-West in its relations with the foreign powers which might be still unsettled, and to take all the necessary steps to protect the North-West against foreign aggression).
2. To wire to the people of the North-West to unite to oppose foreign aggression.
3. To petition the Government to take more steps towards the development of the means of communications and industries in the North-West.
4. To petition the Government to adopt a definite national defence plan for the protection of the North-West.
5. To petition the Government to form a national defence forces for the North-West.
6. To wire to the Dalai Lama to cease fighting, and to petition the Government to send more intelligent young men to Tibet to mingle with them and to educate them and to remove their ignorance.
7. To petition the Government to pick out the best troops in Szechuen to protect the North-West.

Their petition is now under the consideration of the Government. It clearly indicates that after the loss of the North-Eastern Provinces (Manchuria) the Chinese have apparently changed their policy of indifference towards frontier affairs to one of mindfulness, and have fully realized the necessity of taking immediate steps to defend the frontier border, lest it would fall into the hands of the foreign aggressors.

North-West Also a Hunting Ground!

When the Siberian-Turkestan Railway, which runs parallel to Mongolia and Sinkiang (Chinese Turkestan), was completed on May 1st, 1930, the Chinese authorities were already aware of the fact that the North-West is just as exposed to foreign aggression as the North-East is, and is just as much a hunting ground to the foreign aggressors as the North-East is. The completion of the said railway one year in advance of schedule has caused a great alarm to the British Government which lost no time to send embassy after embassy into Sinkiang under the name of "investigation," details of which are given in the *Tai Kung Po* in Tientsin dated March 24, 1930.

On the other hand, the National Government, being more mindful of frontier affairs than before, also sent delegations to the North-West, such as the "Investigation Group" under the auspices of the Central Party Headquarters; the "Investigation Group for the Study of the Culture of the North-West" by the instruction of the National Government, etc. All these indicate that the North-West is another "Manchuria" where Russia and Britain are trying to extend their control for their respective interests, and that what has been pointed out by the Western Frontier Affairs Committee is quite true and should have our immediate attention. It is now up to China to take steps to exercise effective control over these frontier provinces.

Some Difficulties

However, there are several difficulties which have necessarily to be overcome before any step can be taken, and which may be enunerated as below:

1. Scarceness of population in these provinces, the average density of population per square mile being only 7.24.
2. Mixture of races, there being Mohammedans, Mongols, Tibetans, and many other races, whose languges, religions, customs, feelings, etc, are materially different from eath other.
3. Extremity of ignorance.
4. Lack of organization. Though some of these provinces have already been converted into provinces and are now governed by the provincial governments, the old forms of organizations in different races are still in existence. They are almost impossible to change. All these are great handicaps to the enforcement of any reformative measures.

As to the material side of difficulties, they are equally great. The average earning capacity of each individual is less than $100 per year. How low is their individual production power? There is only one railway in the North-West, that is, the Peiping-Su-yuan Railway. The extension of the Lan-Hai Railway into Tongkwan (Shansi) has not yet materialized.

Under such circumstances, the development of the North-West is necessarily slow. The following steps are tentatively suggested.

1st Step: Formation of the "Reclamation Organizations" which should consist of not only high officials of the Government but also high officials in the provinces and also experts. A "Reclamation Bond" to be secured on the customs revenue, should be issued to cover the expenses. Investigation groups along different lines should be sent to the North-West to conduct the investigations and survey, etc. works.

2nd step: Construction of highways, and completion of the extension lines of the railways, so that these distant frontier districts can be more easily reached. Then artificial encouragement of migration of people to these districts should be vigorously enforced.

3rd step: Development of more means of communications and industries in the North-West.

What China should do with the North-West today is to follow what the American Government did after 1812

with the western part of the country when the American Government took every step to encourage the people not to invest their capital in, foreign countries. but in industries in the western part of the country for the development of this virgin land. China should therefore also take steps to encourage the Chinese and the Chinese overseas to invest their capital in the industries in the North-West. The National Government has certainly made a good move in the right direction, but what we hope is that the Government will take more vigorous steps in carrying out what they have planned.

In the previous plenary session of the Central Executive Committee, the problem of the development of the North-West was already brought up for discussion. The Reconstruction Committee it is reported, submitted a lengthy plan for the realization of the scheme. Apparently, due to the political situation within and the Manchurian situation, no substantial steps have been taken. It is now reported that at the present meeting of the Central Executive Committee, the same problem would be brought up for discussion. Owing to the fact that the National Government is now contemplating to construct the auxiliary capital at Sian, coupled with the fact that the people are now demanding the protection of the frontier provinces, it is likely that the Government has necessarily to take more substantive steps in the development of the North-West. The report that the recent interest in the development of the project in the NorthWest is due to the fact that the Government aims at making the North-West an outlet for Chinese emigration, as Manchura is now cut off from China proper, is totally discredited, for the Chinese still believe that they will be able to recover Manchuria in the end.

Nanking, November 6, 1932.

"Reds," Revolutionaries and Koreans Alarm Japan

The rising tide of revolution in the Island Empire becomes more evident week by week. Recent events have been particularly significant. Not only have the Koreans become bolder than ever in their campaign for independence, but Communists and radicals generally in Japan itself have become exceedingly active. Noteworthy also is the fact that Japanese who have taken up residence in China are also prominent in Communist or revolutionary activities.

The *Japan Chronicle* of Nov. 1 stated that, as if to mock the special police net thrown over the city of Osaka in view of the approaching military manoeuvres, a group of Communists scattered subversive bills in various parts of the city. At eight in the evening a motor car which came at full speed along the road in front of the 8th Regiment's barracks, stopped near the eastern corner of the compound, and in a moment several men in the car threw into the barracks hundreds of bills, red, yellow and white colored, also raining the bills on the road before escaping swiftly in the direction of Kamihon-machi. Similar bills were scattered in other ports of the city. The bills were well printed, with passionate phrases alleging the consciousness of class distinction displayed in legal judgments. On top was the appeal. "Release at once the 185 Communist prisoners." The bills were signed. "The Central Commission of the Japan Communist Union," and headed "Special edition of the Sekki" (Red Flag). They appear to have been sent from Tokyo. Hundreds of bills of smaller size bearing the inscription, "Do not fail to observe the fifteenth anniversary of the Russian revolution," were mingled in them.

The Tokyo police on the morning of Nov. 5 raided the residence of the son of the veteran reactionary leader, Mitsuru Toyama, and the headquarters of one of Toyama's organizations. Several arrests were effected, among those taken into custody being Toyama's third son. Due to the uncanny influence of Toyama himself, and the extraordinary reverence in which he is held by super-patriots, the authorities carefully refrained, for the time being, from touching him. [Toyama was later arrested. When he was apprehended he tried to commit suicide.]

The Tokyo police later also arrested six members of the "Independent Youths' Association." Toyama is a member of the Tenkosha, which literally means the "Heaven-going Association." The six young men who were arrested are alleged to be connected with a plot to destroy power-stations and plunge Tokyo into darkness and to assassinate certain high officials during the ensuing confusion.

Special Japanese Office Opened in Shanghai to Watch "Reds"

The Japanese Cabinet Council decided on Nov. 4 that Yazo Kokitsu, Secretary of the Department of Home Affairs, who had been sent to the Japanese Consulate-General at Shanghai, to take up a concurrent post as a Secretary of the Department for Foreign Affairs, has been appointed a Consul. Mr. Kokitsu has been specially despatched to Shanghai by the Government to establish a new office in the Japanese Consulate-General here, solely to attend to the task of combatting the anti-Red movement against Japan in China. He is assisted by two vice-Consuls.

The Korean Independence Movement

In an effort to achieve the independence of Korea, a well-organized Korean Independence Army of more than 10,000 Korean youths is now engaging the Japanese troops in a severe encounter along the Yalu River, according to a special message received at Peiping Nov. 5. While a section of the army has already secretly entered Korea to agitate for a revolt against the Japanese rule among the Korean populace, the majority of the forces, being handicapped by the lack of ships, plan to cross the Yalu River and open an offensive in Korean territory as soon as the river has frozen up. A temporary Korean Government has been established for the purpose of soliciting donations to supply arms and ammnnition to the Independent Army, the military headquarters of which is said to be in Hungjeng with General Liang Sui-leng as the commander-in chief and General King Ya-shih as chief of staff. The army is divided into three routes, the first of which under General Li Tsin-tien has been instructed to lead his men into the Korean territory through Shienpei. The second route under the command of General Liang Ho-shan is to remain strictly on the defensive along the Yalu river, while the third, led by Commander Liang Sui-feng himself, will also advance into Korea with Pingpei as its objective. The army is well equipped with machine guns, hand grenades and big swords. Two Japanese battalions are now massing at Pingpei.

Japanese Raid Korean Store in French Concession

Five Japanese plainclothes men, believed to have been despatched by the Japanese consulate, descended on a Korean ginseng dealers shop, called the Yuen Chong Company, at 24 Rue Marcel Tillot, French Concession of Shanghai, on the afternoon of Nov. 6. The Korean store, according to report, has been considered one of the headquarters of the Korean nationalists in Shanghai, who are said to be active in plotting the overthrow of the Japanese regime in Korea in support of the Korean Independence Army in Liaoning Province.

National City Bank Has New General Manager in Japan

John L. Curtis, assistant vice-president and new general manager for Japan of the National City Bank of New York, was entertained at a banquet by L. W. Chamberlain, the Bank's Osaka manager, October 19. The banquet was held at the Osaka Club, and some 65 prominent business men and civic leaders attended. In the course of an address Mr. Curtis stated that both Mr. Hart, the vice president in direct charge of the Far Eastern branches of the bank, and Mr. Durel, vice-president of the bank in charge of the entire overseas division, were both impressed by the industrial progress of Japan. "As an indicator of the policy that he wished our branches to adopt I remember particlularly the short informal speech that Mr. Hart made to our Osaka branch. He told the officers and members of the staff that they should think of themselves as working, not for the National City Bank of New York in Osaka, but for the National City Bank of Japan," Mr. Curtis said.

Shanghai University Confers Honors on 47 Students

The University of Shanghai observed Honors Day Nov. 5, when 47 students were awarded honor certificates. According to the report of Dean T. K. Van, among those who received highest honor 55 per cent are girls; of those receiving highest honor, high honor, and honor, altogether 47 per cent were girl students. The chemistry department led with 17 per cent of the honor students. Among those securing high honors was Miss Olga Surh, a Korean girl. President Herman C. E. Liu announced that a scholastic honor society like the Phi Beta Kappa will be organized on the University campus in the new future.

The Lytton Report As Viewed Through Japanese Eyes

(From the Review's Tokyo Correspondent)

(Continued from last week)

Dr. Sakuzo Yoshino, Japan's foremost critic on social and political affairs, commenting on the Lytton report states as summarized below. (November number of the *Kaizo*).

While reading the report I found myself occupying two standpoints, one of which being as a member of the Japanese nation which the report treats as defendant and the other as a purely disinterested third party. Since Japan's Manchurian policy has been perfectly settled there is no alternative for me as a member of the nation but to co-operate for the consummation of the national aim although I am not without a shade of different view both as to Japan's decided policy and the course and measures that led it to the decision. The anti-report attitude of all the political parties and of various business organizations, as is reported by newspapers, is after all nothing but their placing themselves in the position of defendants. It may be that as the Japanese people they cannot help having access to the report in such attitude. As to myself, however, I am inclined to study the report from the standpoint of a disinterested third party.

Strictly speaking Japan is not regarded as defendant nor the Lytton party as judge. And the report itself will never contribute directly to the final solusion of the Manchurian problem but will serve as reference to the League Council. Within its vested authority the Commission is free to make any investigation, and formulates its own view quite numolested from either Chinese or Japanese manoeuvers. It is therefore nonsensical to grumble at the contents of the report however unfavorable they may be to our country. To maintain a defendant's position and stand in rivalry with the Commission is of course effective to accentuate the nation's negative attitude of objection, but will contribute nothing toward exhorting the Commission's reconsideration or recommending careful scrutiny of the report by the League Council; hence the propriety of the viewpoint as a purely third party.

Among various comments on the Lytton report I notice those unduly make light of its value. Nevertheless, as diplomatic documents with the League of Nations their centre, their authority, as such ought never to be slighted. Irresponsible persons float comments unfavorable to the personal character of the members of the Commission, but in fact thay are nevertheless men of character prominent on the European stage and the product of their combined efforts confirm this fact. Judging from these and the fact that another commission on such a large scale will not be appointed for the same purpose, the report will never fail to prove a unique reference for the Council and at times for the General Assembly. Furthermore, the contents serve to reconstruct the established knowledge of the Europeans on Far Eastern affairs.

After going roughly over the report I received an impression that the Commission's inspection was fairly well made, excepting the last chapter. "Considerations and suggestions to the Council," in which its views are somewhat unconvincing.

Unconvincing Views

Chapter 1. "Outline of recent development in China." The report describes various phases of China's internal conditions. Despite such goomy realities, the report, denying pessimistic views, sympathetically comments that conditions in China are gradually improving, the import of which I think is quite suggestive. The Commission's optimistic view, however, does not mean to denote that the present China is empowered to perfectly discharge its responsibility as a state. Although there is tendency in our country to positively reject all such optimistic opinions on China through apprehension lest the legitimate solution of Manchurian problem should be handicapped thereby, yet it would be too early to predict that China now finds itself on the way to break-up and extinction.

Chapter 3. "Manchurian issues between Japan and China (Before September 1931)." The report after dealing with the peculiar nature attendant on the political, economic and legal relations between China and Japan, states, "This summary of the long list of Japan's rights in Manchuria shows clearly the exceptional character of the political, economic and legal relations created between that country and China in Manchuria. There is probably nowhere in the world an exact parallel to this situation, no example of a country enjoying in the territory of a neighboring state such extensive economic and administrative privileges. A situation of this kind could possibly be maintained without leading to incessant complications and disputes if it were freely desired or accepted on both sides, and if it were the sign and embodiment of a well-considered policy of close collaboration in the economic and in the political sphere. But in the absence of those conditions it could only lead to friction and conflict." This view of the Commission is in a certain sense to be considered as based on right perspective of the affairs. The Commision being used to fathom with a fixed scale the privileges enjoyed by countries of Europe, it goes on to state that Japan attaches special meaning to the words, "Special position in Manchuria," from its historical associations with the Russo-Japanese War and pride in the achievements of Japanese enterprise in Manchuria for the last quarter century. This is not without some truth, I admit, but the fact is that in the Orient especially in China it is not seldom that special rights were granted to foreign countries. Of late years, however, China has realized the mistake, and everywhere within the country a movement to undo the blunder has been launched. As to Manchuria, China has come to look upon the territory with more serious attitude as its first line of national defence, its granary and as seasonal consumer of labor. Now, as for Europe and America they seem sympathetic toward the tardy China even at the expense of Japan; there is on the other hand no room for Japan to revise its attitude especially after so long a time. Taking all these into consideration the report is right in its assertion that the clash of interests between the nations will be fundamentally irreconcilable.

The Question of Self Defence

Chapter 4. "Narrative of events in Manchuria on and subsequent to September 18, 1931." In conclusion the Commission mentions, "The military operations of the Japanese during this night cannot be regarded as measures of legitimate self-defence." This observation of the Commission is most severely criticized in Japan as abusing the righteousness of the attitude taken by Japanese troops. Yet, it is nonsensical to be too conscientious about the subtle meaning of words. In Japan they stick to the insistence of legitimate self-defence, but how do they decide on its scope? To stick to their own interpretation and reject any other's....(turns). "Self-defence" is the word borrowed from the Occident. So, rather than advocating its stand with such alien arms, why does not Japan declare straight-forwardly that to do so is absolutely necessary for its existence?

Chapter 6. "Manchukuo." Reviewing this chapter in a similar sentiment in which I studied the 4th chapter, I may say that it is a nonsense that all 30,000,000 without a single exception agreed to the founding of the state as is insisted in our country; in such a backward country no means is adequate to work out right figures,.... .... In conclusion the report mentions that if it had not been for the presence of Japanese troops and activities of Japanese officials both civil and military the new state could not have been formed. This opinion of the Commission cannot be regarded as necessarily unreasonable. Only the Commission has gone too far in stating that Manchukuo is the creation of the Japanese. It may also be true that the Manchurians whom the Commission interviewed had unfavorable opinions about the new administration. Yet a few years' time may be required to listen attentively to their opinions.

Chapter 7. "Japan's economic interests and the Chinese boycott." In this chapter the Commission states "....and the fact that in spite of these disturbances the trade between them has continued to increase proves that there is an underlying economic tie that no political antagonism has been able to sever." This is quite interesting.

Chapter 10. "Considerations and suggestions to the Council." As already mentioned the Commissions is self-contradictory in pointing out the possibility of solving the clash of interests in Manchuria between China and Japan, when it recognizes the conflict as inevitable being deeply rooted in the difference of their fundamental national policies.

British and American Influence on Lytton Report

Hiroo Sasa, a rising critic, in Japan speaks out his unreserved ideas through the November number of the *Kaizo*, as summarized below:

The members of the Commission of Enquiry were appointed on January 14, 1932, and started on February 3. After visiting the United States, Japan, Manchuria and China they arrived at Peiping where their laborious work of compiling the voluminous report took them nearly one month beginning early in August. This assiduous study and investigations can be regarded as part of the principle of colonial policy by Dr. Heinrich Schnee. Gen. Claudel of France and Gen. McCoy of America seem to have looked sour at each other to a certain extent, while Count Aldrovandi of Italy bridged the difference of views between Lord Lytton and Gen. Claudel. I do not consider the result of the Commission's laborious work a masterpiece, yet I am not so perverted as not to recognize it a success when viewed from the nature of the composition of the Commission. Surely, no result could have been obtained if the two disputing nations had been represented in the composition.

Nevertheless, what constitutes the trunk and root of this report is the "united battle front" of Lord Lytton and Gen. McCoy. Their combined influence is perceptible in all the important parts of the report. Britain and America stand against each other in the world's economic arena as is evidenced by their competition in South America, but this is not the case in China where they have come to cultivate friendly relations in consequence of the powerful advance of Japan. Nevertheless, it would be a silly idea to admit that in the report a united front of antagonism of the two Powers is revealed: the world today is not yet free from the three dominating forces pitted against one another among Britain, Japan and America. Concerted opinions between British and American members must be taken as the result of instructions from their home governments. It must also be noted in this connection that much of the members' personal experiences is woven among the instructions, because the fact should be taken into consideration that between Gen. McCoy who once held an advisory position in the Philippine Government and Lord Lytton who once acted as Viceroy of India there ought to be coincidence of views and experiences on Japan's economic position in the Oriental market. When all things are considered none can deny but that the significance of international politics contained in this report emanates from shrewd restraining activities conducted by Britain and America.

Lytton Report and Japan's League Policy

Ex-Minister Kumaichi Horiguchi, who is known in Japan as a diplomat well informed on international affairs expresses his idea through the *Serupan*.

I quite agree with those foreign papers which severely criticize the presumptuous conclusion reached by the Commission despatched by the League of Nations, which is not provided with super-natural power. As is pointed out by those papers, before its departure the Commission had formulated its idea as a conclusion of the report, calculating upon the mutual interests among Powers, and up to chapter 8 of the report it collected material which would satisfy its pre-conceived conclusions, in disregard of all the material presented by Japan. In conclusion the papers say that what the Commission points out in the conclusion of the report is visionary and is devoid of practical value. In my opinion Japan's League policy throughout the session should be as positive as possible, and I believe this is the only shield for the country to advance with. The weak-kneed diplomacy of our country has invited undue suspicion on many occasions, for a hesitant, apologetic attitude is liable to be mistaken for concealed ill-attempt and gives a bad impression. True, to be passive on the diplomatic stage is the first step toward failure. To cite an instance, with respect to the Commission's lack of recognition in regard to China a strong front must be assumed on our part in pointing out its ceaseless internal disturbances, rampancy of communists, uncheckable nuisance of bandits, instability of the central government and its attitude toward international obligations, etc., and in conclusion that it ought to be expelled from the League. The Lytton report would cease to have *raison d'etre* if Japan succeeds in making the world digest the true knowledge of the existing state of China. This is the path for us to take to open the world's eyes to the independence of Manchukuo and subsequent recognition by our country.

Secretary Stimson's speech at Washington on October 1 and the recent tendency of American papers obviously assume a menacing, threatening attitude toward Japanese behind the League of Nations. America may be prompted to resort to such an attitude in anticipation of a repetition of Japan's negative attitude at the Washington and London Conferences. Inasmuch, however, as it has been warned by those bitter experiences, never again will Japan repeat the folly, especially in view of the gravity of the question this time.

A study of American history and national character will teach you how the United States faced such small countries as Mexico, Hawaii, Spain, Colombia, Nicaragua, with armed menace but it dealing with countries of equal strength it has never had recourse to any such measures. This is why I am inclined to accept the recent menace at its face-value.

President Roosevelt once remarked, "Military expense is a premium on anti-war insurance," in his effort to popularize the necessity of armaments. I am quite in accord with him, and believe that without armament no justice can be enforced effectively. Our united efforts must be directed toward building up strong armaments, which is after all the key to solve the last controversy on the Lytton report.

Tokyo, October 31, 1932.

Change to Be Urged in Foreign Missions

Far-reaching changes in the plan and scope of missionary work in the Far East are recommended in the report of the appraisal commission of the Laymen's Foreign Mission Inquiry, now being prepared at the New York offices. The questions which the report will cover are: Have foreign missions finished their work? Is there a decline in their value to the Far East? Should these missions any longer go on? What should be the attitude of Protestant Christianity toward the non-Christian religions of the East?

The report will be submitted shortly to a meeting of the missionary boards of the seven denominations in the United States whose laymen directed the inquiry. In the meantime the more significant parts of the report are being made public in instalments.

The commission consists of fifteen prominent churchmen and is headed by Dr. William E. Hocking, Professor of Philosophy at Harvard University. Its members returned to the United States last Summer from a prolonged study on the ground of mission problems.

The seven denominations represented are the Presbyterian, Dutch Reformed, United Presbyterian, Methodist Episcopal, Congregational, Protestant Episcopal and Northern Baptist. These have 57,657 churches with a total membership of 10,015,366, who gave $15,000,000 to foreign missions in 1931.

The scope of the survey is indicated by the following mission statistics:

In China, out of a population approximating 400,000,000, it is estimated that there are some 400,000 Protestant Christians. China has 6,346 missionaries at work, of whom 3,052 represent boards with headquarters in the United States.

In Japan, with a population of 65,000,000, there are approximately 160,000 Protestant Christians. There are 1,174 Protestant missionaries and 5,096 Japanese Christian workers.

In India, of some 300,000,000 population, it is estimated that there are 2,000,000 Protestant Christians. In that country there is a force of more than 6,000 foreign missionaries, associated with well over 50,000 Indian workers. Of the 5,049 Protestant missionaries in India 2,222 are Americans, of whom 1,250 belong to the boards cooperating in the inquiry.

Criticism by a Missionary in Japan

Dr. S. H. Wainwright, general manager of the Christian Literature Society of Japan, and a noted scholar, criticizes the report for failing to grasp, with all the fact-finding research that went on, the cardinal truth of the foreign mission situation, that is to say, that the creditable institions founded all around the world have grown in their budgets and have increasingly absorbed the evangelistic funds through lack of great and special contributions for the equipment and endowment of these institutions. The result is the utter crippling of the evangelistic work, supposed to be the primary duty of the Church for the inspiration and consolation of the vast multitudes in every nation.

Some Aspects of the Sino-Japanese Conflict

BY JUDGE LIANG YUEN-LI

(Reprinted from the People's Tribune for Nov. 1)

GENERALLY speaking, the issues in the Chinese-Japanese conflict are not so obvious as the simple-minded Japanese propagandist likes us to imagine. For the killing of a Japanese military spy, the bombing of a part of the South Manchuria Railway by an irresponsible person, and even the attack on Mukden on the night of September 18, 1931, were only evidence of a conflict between an imperialistic State, bent upon self-aggrandizement at the expense of its neighbor, and a weaker one struggling for freedom from the ravages of civil strife and foreign domination. Any realistic student of the question must therefore insist on the Chinese-Japanese controversy being traced to the pre-conceived policy on the part of Japan to bring Manchuria into its imperial realm. It is granted that Japan may have had some legitimate grievances. But what are these alleged grievances? In the first place, Japan has charged China with not observing the Sino-Japanese treaties, and particularly those treaties which figure in a conspicuous way in international documents under the name of the Twenty-One Demands. These demands were forced upon China in 1915 at a period of perfect peace in the Far East, when there was not a single diplomatic issue between China and Japan which demanded a settlement. In the belief that the world was too busy on account of the European war to occupy itself in the Far East, Japan made China accept these demands at the point of the bayonet. It is not necessary to go into the contents of these demand. Suffice it to say that they were entirely derogatory to Chinese sovereignty and impaired her independence, and it is interesting to note that Mr. Bryan, the American Secretary of State at that time, seeing the essential injustice imposed upon China by the high-handed action of Japan, had also entered a warning that the American Government would not recognize the validity of any situation brought about in violation of the Open Door Policy.

When the Paris Conference opened in 1919, the whole world was expectant that, following the idealistic aspirations of President Wilson, international wrongs would be redressed and the Twenty-One Demands would be cancelled. But Japan astutely raised many irrelevant issues at the Conference to frustrate any attempt to question the validity of these treaties with the result that this issue was left unsettled. When the Chinese Government again pleaded for the cancellation of these treaties at the Washington Conference in 1922, the Japanese Government objected to it on the ground that a traditional rule of international law demanded the observance of treaties even though entered into under forcible pressure. To this the Chinese Government answered to the effect that if without the slightest provocation a nation could force another to yield, by treaty, important and vital concessions, the whole structure of international society would be constantly imperilled. The question of the validity of treaties entered into under forcible pressure was one of the most doubtful in international law, and the views of the seventeenth and eighteenth century writers must therefore not be taken without qualifications. In spite of the legal unsoundness and weakness of the Japanese position, the Chinese Government tried in all seriousness to comply with the provisions of these treaties. Its patience was mainly responsible for the comparative peace between China and Japan in regard to Manchuria which reigned for a period of ten years after the World War.

The Plea of Self-Defence

Another issue raised by the Japanese as an argument to justify the Manchurian intervention is the plea of self-defence. Self-defence is one of those words which have a most vague meaning. In the organized society of individuals called the State, any attempt to break the peace is vigilantly and effectively checked, and the question whether one has a justification in self-defence and whether the limits of self-defence are not exceeded can be settled by the courts of law. But between States the determination of such question is far more difficult.

What are now the dangers against which Japan professed to defend itself by the military operations in Manchuria, and later, in Shanghai? It need scarcely be stated that China never had the intention nor the the capacity to attack Japan in the territory of the latter. International law permits of measures of self-defence only for the purpose of preventing the invasion of territory. It has never been generally agreed that a nation can invade the territory of another nation as a measure of self-defence.

The essential weakness of the Japanese position was such as to render necessary a change of pretext every other day. At the beginning Japan alleged the necessity of defending itself against the soldiers of the Manchurian authorities. When the Manchurian authorities were ousted, Japan had to invent the need of self-defence against the bandits. Now it is true that in Manchuria, as in other parts of the world, there have been occasional outbreaks of unruly elements. But that in itself in no way justifies a neighboring State to undertake a military expedition on a large-scale. And the curious result is that with the Japanese occupation of Manchuria, banditry has increased rather than diminished, and what was once a comparatively peaceful and ordered country has become a complete chaos and anarchy.

The validity of the Japanese plea of self-defence has been denied not only by the public opinion of the world, but by all the Governments represented on the League of Nations Commission of Enquiry. Recently, Secretary Stimson in his epoch-making address of August 8th stated that "A nation which sought to mask imperialistic policy under the guise of the defence of its nationals, would soon be unmasked." Now it does not need the verdict of history to unmask the intentions of Japan. The contemporary condemnation of world opinion is already too eloquent for any attempt at rebuttal.

In order to justify its invasion of Shanghai in the early part of the year Japan has also made use of the plea of self-defence. It was asserted that the boycott of Japanese goods by the Chinese was an act of war. Without going into the question whether the word "war" can be used to describe a mere passive attitude, I must emphatically state that on no single occasion have the Chinese people resorted to the weapon of the boycott without first being subjected to grave provocations. On many such occasions, any other nation militarily inclined would have immediately resorted to a declaration of war. The boycott of Japanese goods in 1915 was a reply to the Japanese imposition of the Twenty-One Demands. The boycott of Japanese goods in 1928 was in reply to the Japanese intervention in Shantung.

The Deeper Meaning of the Boycott

There is, however, a deeper meaning in the boycott of Japanese goods by the Chinese. The boycott proclaims the fact that no person can be compelled to buy the goods of another at the point of a gun. It is good-will, not brow-beating, that holds the key to commercial intercourse between nations no less than between individuals. The history of American trade with China reveals that every friendly gesture of the United States, such as the return of the Boxer Indemnity to China, has been speedily followed by a remarkable increase of Sino-American trade. When relations with Japan were friendly, during those years the Japanese militarists were not in power, China was Japan's best customer. But as soon as Japan had alienated the affection and good-will of the Chinese by her flagrant violations of Chinese territory, by the inauguration of a puppet-government in Manchuria, by her attempts to perpetuate and aggravate the internal disruption of China, the strong determination of the Chinese people to turn away from Japanese traders to those from other countries more peaceably disposed toward China immediately manifested itself. The spontaneous choice on the part of the people, the organized expression of national sentiments in the matter of trade, is considered everywhere in the world as a legitimate exercise of personal liberty. Any encroachment upon such liberty of the citizens by their Government, no matter how absolute, would render the latter itself a violator of a fundamental principle of law.

The recent pronouncement of a Japanese spokesman on the question of self-defence has taken a new turn. It is said that it is not against China but against Soviet Russia that Japan wants to secure Manchuria in order to defend itself. No matter how imminent the

threat of Soviet Russia might appear—an assertion hardly supported by facts—no logic, and indeed no emotional appeal, can convince one of the soundness of the doctrine that a person could seize the land of another in order to protect himself against the imaginary attacks of a third party. And with regard to the actual relations between China, Japan and Soviet Russia, the following extract from a leading article appearing in the *Journal de Genève* on October 26th last is very illuminating:

"Japanese agents are anxious to make us believe in Europe that Japan is in the Far East a rampart of law and order against Communism. It is against a China becoming bolshevized that Japan is warring, they say. If they took Manchuria, it was only to prevent the irresistible advance of Bolshevism and Europe must be grateful.

"This whole picture is false. It is not true that the Chinese Government is in sympathy with Communism. It fights Communism with armed force. Furthermore, Japan has an ambassador at Moscow, China has not.

"It is not true that there is any Russian influence over Nanking, diplomatic relations between the Chinese and Russian Governments have been broken several years ago. It is not true that the Japanese aggression is of a nature to exterminate Communism in China. To the contrary, it favors it in increasing the dissatisfaction of the people and in paralysing the government who fights it. It is not true, finally, that the rerations between the Russian and Japanese governments are dominated by hostility."

Fatuity of Japanese Argument

When we have seen the utter fatuity of the Japanese arguments, we are convinced that it is not the isolated issues, but a general line of policy which has prompted Japan to invade Manchuria. All the issues which Japan has put forth, could have been settled by the peaceful methods in which the world is not now lacking. Legal disputes can be submitted to the Permanent Court of International Justice at the Hague; political disputes are within the jurisdiction of the Council of the League of Nations—both of which institutions are competent, by the treaties, to deal with any controversy that has arisen between China and Japan. The refusal of Japan to pursue either one of these two methods of settlement is a most unequivocal indication of her insistence on the employment of high-handed measures to reduce a weaker neighbor into submission. The legalistic arguments advanced by Japan merely serve as a mirage to delude the world and to conceal her real intentions.

When China presented its case before the League a year ago, both the Assembly and the Council were in session. No more auspicious occasion could have been desired by the League to demonstrate a swift and effective handling of a threatening international situation. The League had then the advantage of having gathered together at Geneva not only the so-called Great Powers, who form the nucleus of the League Council, but also the so-called Small Powers who had an equal voice in the Assembly and who had suffered on one occasion or another the same oppressive experience under which China was now groaning. However, as the League has no will or force of its own apart from its constituent members, its ability to deal with a situation threatening the peace of the world must be measured by the degree of the readiness with which its members would take the necessary action against the aggressor and make the inevitable sacrifies. The trend of public opinion against Japanese aggression in Manchuria was discernible in the various countries long before their Governments made up their minds to come to the rescue of the victim of aggression. When London, Paris, Rome, and the other capitals in the world were vociferous in the criticism of Japan, Geneva presented a picture of bland indifference. For various reasons, political and economic, the Governments hesitated to take definite action. Not until the Special Assembly of the League was convened last March was Japanese aggression in China subjected to official and open criticism. This general censure of aggression by all the Powers was immediately followed by the adoption of a resolution not to recognize any situation brought about by illegal methods.

It has been said that the ineffectiveness of the League in its action during the earlier stages of the crisis was due to the lack of the co-operation of the United States. It is true that the United States has not been a party to all the efforts made by the League since its creation for the organization of international peace. It is also true that the League Powers have been afraid to take action against the aggressor for fear that the United States might refuse its aid or might even take sides with the aggressor. The authorization of Mr. Prentice Gilbert, American Consul at Geneva, to sit at the Council Table last October, was, however, a radical department from the American policy of isolation. Mr. Stimson realized that the best way of organizing peace was to co-operate with an already existing institution whose ostensible concern was the promotion of the peace of the world. He also realized that the very possibility of the conflicting interests and motives of the Powers in the League made it all the more necessary that America should throw in its lot in order to inject fresh courage and sane advice into the doings of that institution.

It is unfortunate that the co-operation of the United States with the League, so happily commenced, suffered a temporary eclipse on the occasion of the meetings of the League Council in December. The general American policy regarding Manchuria had not been changed. The absence of General Dawes from the Council discussions, was however taken advantage of as a sign that American co-operation had been withdrawn and as an excuse that any energetic action against the aggressor would henceforth be impossible. The aggressor itself was in effect encouraged to go on with further acts of international brigandage; the restoration of the *status quo* became more and more an impossibility. To an independent observer, the American action was merely a tactical change of front to avoid domestic criticism. But as a matter of fact it became an excuse for inaction on the part of the League, while enabling Japan to give free vent to the fulfillment of its desire for the complete subjugation of Manchuria.

Secretary Stimson's Note of January 7

The revival of the American interest was heralded by the Note of Secretary Stimson on January 7 of this year. But in spite of its categorical language registering the American protest against Japanese actions in violation of the Nine-Power Treaty and the Kellogg-Briand Pact, it failed to stay the invasion of Shanghai. Mr. Stimson's Note, however, served two purposes. First, it was a definite challenge and stimulus to the other Powers—a challenge to which unfortunately the latter failed to respond in time. Second, it served a notice to the aggressor that organized society would refuse to recognize any gain acquired by illegal methods. The Note has added importance in that it has become a part, as it were, of the Kellogg-Briand Pact—being the authoritative interpretation of the Pact and giving to it a definite measure of sanction.

Critics have asserted that the so-called Stimson Doctrine not to recognize any situation brought about by illegal methods has no practical value on the ground that nothing can be accomplished by the simple adoption of a passive attitude. This is quite true, but, as someone has wisely remarked, the life of law has never been logic, but experience. If every experiment in the social control of individual or international conflicts has to be assured of an infallible success, the field of human activity would indeed be very much limited. Every means of organized control in society has to stand repeated defiance and challenge before it can win a definite place. Every effort exerted in its support adds to its strength and hastens the day when a single and slight violation of it would shock the conscience of the world. Mr. Stimson certainly did not make his pronouncements on the Japanese aggression in China in the expectation of an instant success. But in watching the consternation in Japan after each one of his important pronouncements and the unqualified support of world-opinion we know that Mr. Stimson has found a convincing proof of the truth of President Wilson's saying, "Words cut indeed as sharp as swords." "Moral disapproval," as Secretary Stimson puts it, "when it becomes the disapproval of the whole world, takes on a significance hitherto unknown to international law."

The proposed recognition by the aggressor of the puppet government in Manchuria is now an accomplished fact. But not by any stretch of the imagination is the so-called government in Manchuria anything like a government of the Manchurians, for the Manchurians, and by the Manchurians. The overwhelming majority of the Chinese in Manchuria have a cultural background in common with their brethren within the Great Wall and possess historical, traditional, and sentimental ties

with their fatherland, which no sword, bayonet, or cannon can sever. When the Americans see how attached the Chinese in America are to their fatherland, how readily, for instance, they contribute their energy and their wealth to the alleviation of any suffering or calamity in China, they can visualize the present feelings of the Chinese in Manchuria toward China, even if every expression of such sentiments is ruthlessly stifled and penalized by the invader.

Although the present state of international law does not provide for an effective method by which the organized society of nations can assist a suppressed but self-determined people to win back its freedom from the invader, the new conceptions injected into the law by the United States and by all the other Powers in the League of Nations have blazed a new trail and created a new opportunity for such a people to assert their aspirations at an opportune moment. In the meantime, every protest from the Powers against the actions of the invader in the territory wrongfully occupied occasions the embarrassment of the invader, which in turn discourages it from embarking on new ventures. The condemnation placed upon actions in violation of treaties does effectively bar the legality of any title or right obtained by pressure or by treaty-violation, and wil eventually lead to the restoration of rights and titles of which China has been unlawfully deprived.

We may not be very pleased about the report of the Commission of Enquiry of the League of Nations, and especially about its conclusions, which are of a temporising character. But of one thing we may be sure. The events in the Far East have gone too far to allow of a mere gesture of compromise. While neither the Council nor the Assembly has declared that Japan violated the Covenant, both organizations have shown by implication that such was their opinion. There has been not a single Power which has ventured to assert that Japan has acted within her rights.

The League Must Prove Its Title to Exist

When the Commission's report is before the League, the latter will have to face the supreme task of vindicating its continued existence. On the basis of such a vindicating, the peace-loving people of the world will decide whether such an organization is deserving of persistent support. We have no fear about the withdrawal of the aggressor from the League, for by doing so it would proclaim to the whole world that it is unworthy of membership in the organized society of nations.

As we envisage as a whole the course of events in the Far East in their origin as well as in their ramifications, we are reminded of the days on the eve of the World War. Recent historians have told us that a number of factors were responsible for the set of circumstances symbolized by the first shot in Sarajevo which set off the powder magazine in Europe. Imperialism, militarism, and secret alliances had all their share in the precipitation of the catastrophe. Bearing this lesson in mind, we cannot but signalize that at this time, in the year 1932, a nation, run by military dictators overawing the civilian Government and dominated by imperialistic aims knowing no bounds, constitute a most formidable danger to the peace of the world. The only consolation we have at present is that our rudimentary form of International Government has, if it not prevented and redressed an international wrong, at least temporarily saved the world from another cataclysm.

Such a situation is, however, not altogether without peril. An ineffective international organization, founded on high sounding treaties but not backed up by the sincere support of the constituents Governments, is likely to lull one into a false feeling of security. Laudable as are the ideals which inspired the Kellogg-Briand Pact, the attempts of the various Governments to weaken its obligatory force have given rise to the imputation that the Pact is nothing more than a pious aspiration. This is, happily, not the view as expressed in the recent Statement of Mr. Stimson. And his interpretation of the Pact as a full-fledged legal instrument has won the support of the whole world. It rests with us, however, to see to it that the meaning of such an instrument is strengthened rather than emasculated with the passage of time. If public opinion can accomplish anything, it can put a new and changing content into the peace-preserving instruments and see to it that they be implemented, if necessary, not only by the mobilization of the moral forces of the world, but also by the employment of diplomatic and economic weapons.

When crystalized into a potent force, public opinion must command the respect of the Governments. We need not be afraid at times to indict also the peace preserving institutions for their demonstrated impotence in actions against the aggressor. And as the day approaches when the aggressor has to restore its ill-gotten spoils to the rightful owner, we shall see that the use of the lash by the public has not indeed been in vain.

Chinese Customs Enlarges Anti-Smuggling Activities

The recent raids made by the Maritime Customs on shopkeepers in Shanghai who were alleged to have large quantities of smuggled goods on sale are but part of an extensive program of smuggling suppression which the Customs authorities are carrying on.

A number of revenue cutters have been ordered, and some are actually in commission, while others are in course of construction. One of these new vessels, the *Hua Hsing*, was launched by Lady Maze, wife of Sir Frederick Maze, Inspector-General of Customs, on June 8 and at the beginning of October successfully underwent her speed trials outside Woosung. Highly satisfactory speed and other tests were carried out. A sister vessel to the *Hua Hsing* is being completed at Kiangnan Dock and is expected to undergo her trials and be handed over some time this month. The crew of the *Hua Hsing* received intensive training in the use of Vickers and Lewis guns.

One of the new revenue cutters is operating in the north and reports from Tientsin and Chefoo affirm that sugar smuggling in those areas has been checked and that this important staple is now on the market at normal prices whereas a few months ago it was sold at prices far below the staple rate.

When the Customs have developed the new service it is expected, according to the *North-China Daily News*, that smuggling generally will be curtailed and that in the course of time China's revenue will be better protected. In some European countries the cost of collecting revenue is greatly increased by the cost of preventive measures and Germany, for example, is reported to spend as much as 30 per cent. of her total revenue on the maintenance of her preventive service. There are no means of ascertaining definitely what the corresponding percentage is in China but it is probably less than one-tenth of the amount spent by Germany.

Italians Sending Warship to Patrol Yangtsze

The Italian warship *Lepanto* was scheduled to sail from Italy on November 11 for Shanghai. The *Lepanto*, which was formerly a mine-layer, is armed with a gun and eight machine-guns, and has been specially fitted for eventual service on the Yangtze.

The United States gunboat *Tulsa*, Commander Frederick G. Reinicke, which had been moored at Shanghai since October 15, sailed for Nanking Nov. 7 for an indefinite stay.

The British cruiser *Berwick* was recommissioned at Devonport recently and is due to leave for China on November 21. While she has been refitting at home, her sister ship, the *Devonshire*, from the Mediterranean, has temporarily replaced the *Berwick* in the Far East.

Soviet Ice Breaker Reaches Japan in Tow

The Soviet ice-breaker *Sibirakov*, carrying a scientific expedition headed by Dr. O. Y. Schmidt, arrived at Yokohama Nov. 4 towed by the Soviet trawler *Ussurietz* from the Behring Sea.

The *Sibirakoff* thus completed a long voyage of 20,000 kilometers through the Arctic waters from Europe to the Far East. The vessel left Archangel last July but damaged her propeller and finished the last part of the voyage under sail until she was rescued by a trawler.

Kuomintang at Peiping Urges Punishment for Chen Tu-hsiu

The Peiping District Kuomintang addressed a telegram to the Central Kuomintang in Nanking Nov. 3 urging that Chen Tu-hsiu, the alleged leader of the Trotsky wing of the Kuomintang be severely punished so as "to vindicate the law of the land and remove a source of further trouble in the future," The telegram also requests the Government to refuse bail to the prisoner.

White Russian Editor Urges Japanese to Fight Soviets at Once

(By a Correspondent)

I HAVE known many editors, generally quite amiable persons, and otherwise hardly distinguishable from anyone in the street unless, perhaps, by their imposing features, but there is one editor in Shanghai, who strikes one by his attire. When you enter his office, open the door of his "private" studio, you behold a man of middle age, sitting, to be sure, at the editor's desk and—what is the most striking and to which I draw particular attention—is the fact that he is attired in the service uniform of the Czarist army, with epaulets, breast straps, a row of glistening orders, brass buttons, in short, in everything that should be worn by a punctilious colonel in the active service. He is Colonel Kolesnikoff, of the Imperial Russian General Staff, and is the editor of a certain White Russian publication in Shanghai. If the visitor is not taken aback by an unusual sight in the editorial room and attempts any inquiry about the meaning of the uniform, to which, by the way, he (the visitor) must show a profound respect, he will receive a curt and precise reply that the colonel considers himself to be still in the military service, fighting the detestable communists now reigning in Russia. "I have temporarily changed the sword for the the pen," he will say, "and continue the fight even here, in Shanghai. Here is my battle ground," he will say farther with a broad gesture around the room. However, do not think that he appears in that glistening uniform in the street—no Shanghai resident has ever seen him yet to be sure, for the colonel, when the clock strikes three, puts off the uniform with all its appurtenances and hangs it on a hook, where it remains until the next morning—when the colonel appears outside in the usual civilian attire and mingles in the crowd as an ordinary human being.

I would not have troubled the readers about this gentleman, had he not recently stirred up a commotion in White Russian circles by an open letter to Lieut.-Gen. Araki, War Minister of Japanese Empire. The letter first appeared in the *Army and Navy*, then in the *Nation*, both White Russian publications, and was recently reprinted by the *Harbin Daily News*, an American daily newspaper in the Russian language, in Harbin.

General Araki's Russian Name

The letter begins with this salutation, "Your excellency, Most Reverenced Savva Danilovitch!" meaning that the Japanese Minister has also a Russian name.

"Many years have passed." writes he, "since 1924, when I had the honor to be presented to you, then in charge of gendarmerie and one of the highest officers of the General Staff. At that meeting I saw in you not only a Japanese officer speaking the language of my nation, but also an old Samurai, well versed in present events and activities of the 3rd Internationale. Now, by the grace of God and His Imperial Majesty the Emperor of Japan, you, the great patriot and the highest officer of the General Staff, occupy the post of War Minister. We, the Russian officers now in exile are also happy that no other person but you came to power; at this critical time—you enjoy good health and experience, and courage you have in abundance. Eight long years have since elapsed; you have reached highest steps of the service ladder,—I continue to fight, having changed the sword for the pen."

After some allusion to dissensions among White Russians he continues as if in a vision: "We, the Russian samurais, with hope, behold the country with the Rising Sun as its ensign; in the meantime we observe another sun, the Black Sun of death and curse, gradually rising over the continent of Asia. When the Great War broke out and our (Russian nation rose up in a patriotic spell, who could tell that the hours of the Great Empire were numbered and that the Emperor would abdicate from his throne? Had we not a fine Army, Navy, glistening Guards, disciplined Gendarmerie and Police? Only a few days were enough, however, to bring down all this splendor on its knees before the triumphant Revolution."

After one more pathetic salutation he continues: "Great Japan is wanted by nobody, as also was the case with Russia. Nations always envy and hate great nations, great Powers. You in the Orient occupy the same position as we do in Europe. They wanted that we should fight for their interests and scatter the bodies of our brave soldiers in the fields of Europe, but we have always been savage Asiatics for them, strangers in the family.

Turning to the position of White Russians in China he writes: "Our position in China is especially delicate, because we live here by the grace of the oldest nation in the world and, surely, we cannot turn and become its enemies, joining the ranks of its foes—that is why the majority of Russians kept strictly neutral during the Shanghai war. We want to be friends of the nationalistic China, as well as the friends of the Rising Empire!"

"There is, however, a certain proviso, when we cannot be passive and neutral—it is the fight against the red Moscow! Not against Russia, but against the 3rd Internationale! These are two distinct matters and we never mix them up. Now, let us return to the Black Sun rising over Asia. The old communist Miasnikoff used to say: "We'll throw millions of starving peoples from Asia to Europe." These millions are already here, and you, of course, know perfectly that these millions will rush first on Japan, and only afterwards to Europe—Great Japan is a barrier against the red Moscow. Recall the extreme hatred of Joffe, who dreamed of "tramping the Empire of Mikado under foot." It will soon be ten years that the communistic universities and academies have been throwing out thousands of propagandists—Chinese, Mongolians, Koreans, Indians, Annamites and your own compatriots, who all return to their homelands to spread the idea of the world revolution. To them the sacred things, which we reverence, and the ideals by which we live, are nothing. Their bloodmarked hands now stretch to the throne and the temples, where lie the bodies of national heroes and saints."

After some allusion to the dual character of human psychology, one tending to good, bravery and beauty, the other one to evil, lust and crime, he goes on about the origin of revolution in general: "It comes when nations are tired, when suffering is too great or lasts too long, and when sly and pernicious foes slowly and carefully begin preparing the ground among illiterate mobs and unrelenting enemies. This preparation is going on everywhere, among every nation. Contagion has spread everywhere. The Black Sun of revolt and anarchy is rising above the world!"

"You see how communism is spreading in China, how Korean revolutionists kill the best people, how in India and Indo-China the wave of evil and hatred is ruing. Do not be mis'ed by agreements and treaties with Moscow, for whatever they would offer you, and to whatever they would affix their signatures, they have one aim in view—your death and disgrace."

The Bait That Is Offered to Japan

"We (the Whites) are beaten, are in exile, but do not think that we are people who have bowed to the inevitable. Our sentiment is just the same as that of Poles, Czechs and Serbs during the World War, when they were compelled to fight in opposing armies till their respective mother-lands had come resurrected out of carnage."

"With respect to the position to be taken by them in case of a future clash between Japan and the Soviets the emigres are divided—first, there are those who contemplate to take no sides, that is, to be neutral; second, there are some who regard Japan as a common enemy and—who knows—they might be fighting with the Reds against Japan; third, there are those who think that the ways of Russia and Japan are common, that it is necessary to stand by each other and fight against the common foe."

After alluding at some length to the chivalrous ways of Russia in times past when she rendered help to Greeks, Serbs, when she materially assisted France, England and Slavs in the World War, despite millions of casualties and many opportunities to betray the Allies by a separate peace with the Central Powers, the Colonel states: "If your country, together with the White Armies, will be able to free Russia, be sure that no wealth, no conquest, no colony will excel the benefits to be derived from perpetual peace and alliance with the liberated Russia! She will always be with you—in the battlefields and on the waves of oceans! Your nation will become brother to my nation,

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

and no power on earth will crush the combined force of both of them!"

"Events change the situation of the world—the diplomat has overshadowed the warrior. Wherefore doubts? Why have your regiments slowed down their path? Now or never! Yes, general, the present seems to be the most opportune moment—the sword of a Samuria must cut off the head of the world revolution. or its bloody mouth will swallow him up and fill the world with infamy! If not, where will then go the legends of the Great Nogi, of the brave sappers, who blew themselves up for the glory of Japan in the Shanghai war? What will then be the use of their temples and names?"

"Then you will see filthy mobs of Osaka, Kobe, Yokohama and Nagasaki coming out of gutters; you will hear blasphemy—you will see disgrace worse than ours, for nobody will come in your stead—only now you have the destinies of the world in your hands, only to you Fate has handed the sceptre of the world and the supremacy in the Pacific! So, find a thrill within you of the warriors who died on the hills of Port Arthur and the blue waves of seas! We are with you! We, the forty-seven samurais in exile, who have not yet revenged the death of our Lord! We trust in you as in the knight, we know you, we welcome you and await with joy your cry for the feast of swords!"

Only a Breathing Spell

Here the colonel comes down to earthly things and continues: "What will be the result, if Japan instead of trying to free Russia, prefers to have the Maritime Province, Kamchatka, Sakhalin from the Soviets instead? Perhaps, the Reds are willing to give up these territories, so as to avoid a fight. Then, Japan will perhaps forbid any press attack of the Whites on the Reds and will—who knows—be arresting the Whites and giving them up to the Reds? You may be sure no protest will come from any direction. The general situation favors this; it will materially improve relations with Moscow. As to the Reds, they will not stop their propaganda, the Five Year Plan shall not be abandoned. your labor problem will not be solved—you will have a breathing spell but only for a year or two. During these years you will not succeed in colonizing Manchuria, neither will you turn it into a Japanese colony. Exceedingly difficult task, Your Excellency! Even with Korea you are not very fortunate despite labors for these twenty eight years."

"Who knows, the Russian emigres will in the meantime open their eyes and will refuse to fight any more despite all the lavish promises. Even now they reckon with the fear of being fooled. Now, let me, the man, who came through the Russo-Japanese War, the Great War and the revolution, tell how all this will happen."

"First of all the Five Year Plan will be completed, and the Red Army will be brought to a fine fighting standard. In the meantime the 3rd Internationale will perfect its subtle activities among the Japanese masses—soldiers will be made to peceive the ways of living of bankers and rich people, how they live in palaces, eat countless meals, count profits and make love to women, in a word, the soldiers will then bohold the things which have never been dreamt of by the Japanese peasants and laborers. Rifles and guns, to be sure, are machines, and require human hands to handle them. Men have eyes to read and ears to hear. Russia knows what communism is, but Japan does not; her masses will then read and hear promising slogans. Thus, on the end of the Five Year Plan communists will meet no resistance; instead, they will march right up to the waiting rear."

"Schopehauer used to say: 'There are many who are dissatisfied with their looks, age, position, welfare—as regards the brain everyone is satisfied.' To our grief, historical examples now enlighten nobody,—so we have, with a feeling of being doomed, to wait for the coming events. The revolutionary program will be as follows:—

When the Revolution Comes in Japan

(1) Revolt of a certain garrison (since 1905 now usually it begins with the Army) or a squadron, appearance of the Government (composed by inmates of penitentiaries and prisons), welcoming it by yelling crowds.

(2) Arrest of generals (you, too), admirals, governors, and the drive on the Emperor's Palace (about this there is no doubt).

(3) Professors, bankers, industrialists, students will, pin red bands, go about in the streets, mobbing gendarmes tearing off State insignia and hanging up sickles and hammers, instead.

(4) Inasmuch as Japan is of small area, has good roads and other means of communication, has a great many newspapers, and there are no illiterates, the evolution from parliamentarism to revolution will not require seven months (as in Russia), but seven days.

(5) Inmates of penitentiaries and prisons will come to portfolios—bankers, professors, etc., will go to the penitentiaries and prisons.

(6) I do not know who will reward the first soldier to kill his officer, but I am convinced that there will be not wanting such generals (Here the colonel alludes to a well known fact in the early days of the Russian revolution, when the Government rewarded the first mutineer with a medal of distinguished service).

(7) Because your country is poor, has excellent roads, and has one language throughout its length and breath, the progress of the revolution will be rapid, culminating in the undressing of all and squandering of everything.

(8) Koreans, as people most familiar with you and having a special predilection for you, will be presiding over the local soviets, committees, and so forth.

(9) Then there will come the Red Guard, the Red Army, the Young Communists, etc.

(10) Whether there will be a White movement or not I don't know,—it's too narrow in your country, nowhere to turn, whereas the movement requires great areas."

Japanese Moved by Same Psychology as Other People

"Don't you believe, general? I see a smile in your face, you think that Japanese are not like Russians. You had better ask your gendarmes, whom you once commanded, whether man is man or not. The mob lives by its stomach—it has no head."

"We do not know the future; the question of final liquidation is interesting to us all. So, what is your decision? Will the Empire of the Rising Sun save the civilization of our globe and free humanity from the diabolic nightmare, or will it annul by its downfall the age-long history, setting fire to the whole of Asia by its revolution? To be or not to be, that is the question!"

Yours sincerely,
Col.N.B.KOLESNIKOFF,
of the General Staff.

***

So ends this remarkable letter. It certainly reflects the opinion prevailing among White Russians who have a hope that a clash between Japan and the U.S.S.R. will inevitably result in civil war in Russia with a possible coming back of the non-communistic government. This is, of course, a very daring forecast, but it might end, especially, if the war becomes a prolonged one, in the ultimate destruction of Japanese imperialism, also, thus freeing this world from the menace of communism and samuraism, and thus making it, at last, safe for democracy.

Railway Loans Are Discussed by Trustees of Boxer Funds

The twelfth regular meeting of the Board of Trustees for the British Boxer Indemnity Refund was held Oct. 29 and 31 at the Banker's Club in Shanghai. The meeting was presided over by Calder-Marshall, the Vice-Chairman, in the absence of Dr. Chu Chia-hua.

The proposal of the London Purchasing Commission that interest derived from funds deposited in London and from other investments as from March 1931 be devoted to educational and cultural enterprises in China was discussed by the Board, which decided to instruct the Commission to make a further study of the proposal.

A resolution providing that all material purchased from funds appropriated by the Board should bear a distinguishing mark or other identification was adopted.

Applications from the Ministry of Railways for two loans to construct the uncompleted section of the Lung-Hai and Canton-Hankow Railways were brought forward. Both proposals were referred to the Finance Committee of the Board.

In regard to the Lung-Hai Railway proposal, a loan of £500,000 from the Indemnity Funds now deposited in London, is sought by the Ministry for the purchase of materials for the completion of the Tungkwan-Sian section of the Line. The Ministry's second proposal provides for the issue of a public loan for the completion of the Canton-Hankow Railway, employing as security funds to be made available by the Board.

Stimson Measures the Peace Movement

BY S. J. WOOLF

(The New York Times Magazine, September 25.)

THE last three and a half years have been momentous in world affairs. All around the globe a spirit of unrest has been making itself felt. Revolutions have wiped out existing governments, nations in both hemispheres have taken up arms against one another, and financial strains have caused the machinery of many countries to creak. New movements have been at work in an old world.

Coupled with the roar of musketry has gone the music of the steady march of peace. Carrying out the purpose of the Briand-Kellogg Pact, the powers of the world have issued warnings to aggressor nations, and, in keeping with its spirit, naval armaments have been reduced. Yet today many international problems remain unsolved, and increasingly the rest of the world considers our attitude toward them.

Upon the State Department has fallen most of the work of directing our attitude in these affairs. The other day the head of that department, sitting in his office in the ugly old stone building to the west of the White House, spoke of some of the things that had happened in those three and a half momentous years since President Hoover called him from the Philippines to become our "Foreign Minister."

Mr. Stimson's experience in the State Department has convinced him that public opinion toward war has undergone a striking change, and that the world has made distinct progress toward international peace.

"Moral disapproval," he said, "when it becomes the disapproval of all the nations, takes on a significance hitherto unknown in international law. Never before has international opinion been so organized and so mobilized."

There is a leisurely quality about Henry L. Stimson; the quietness of his manner as he talked added to the dignity of his words. Yet he answers to none of the old-fashioned concepts of a diplomat; he is simple, blunt and out-spoken.

"The cultivation of good-will between nations," he said, "is one of the principal aims of diplomacy. It is this which takes most of the time and effort of this entire department."

He had been reading for a time while I drew, and as he began to speak he removed his steel-framed spectacles, folded them carefully and laid them on his desk.

"All of us in the department, in cooperation with the representatives of other nations, are working day after day all over the world endeavoring to smooth away sore spots and the causes of misunderstanding and to adjust the grievances which the citizens of one country may have against the government or citizens of another.

"This work constitutes the foundations upon which international business throughout the world rests. You must realize that very often it is extremely difficult for honest people in one country to understand the viewpoint of honest people in another. State Departments exist for the purpose of translating the viewpoint of one nation into terms understood by another.

"For the last three years," he continued, "we have been passing through one of the most serious economic crises of the past half century. It has had its effect, naturally, upon international relations. Almost fifty governments have changed. Some of these changes were the result of armed revolutions. Most all of them were attributable to the hard times. For the State Department many of them have presented acute problems.

"The department has endeavored to act under the recognized principles of justice and equity and to carry out firmly and impartially the rules of recognition of revolutionary governments which have been proved sound by the experience of history. I am proud to say that we are on cordial working relations with all the new governments produced by the crisis.

"Good relations with the countries of Latin America are one of the principal tenets of our foreign policy. We are all republics and for the last century we have been developing under similar conditions of freedom from caste and social distinctions. The increasing trade with our neighbors on this continent and also the gradual development of cultural relations are producing an important solidarity in this hemisphere.

"There have been misunderstandings that have retarded this progress. Each of these has been used by enemies and critics of our people as proof positive that we are an imperialistic nation using our power to subvert the independence of our neighbors. No matter how unjust these accusations have been, they have nevertheless damaged our good name, our credit and our trade.

"The State Department is trying to eradicate such sore spots as continue to exist in Latin-American diplomacy, and, judging by the tone of the press in the various countries, I think I can honestly say that the effort has not been unsuccessful."

Mr. Stimson is not a fluent speaker. There is a certain hesitancy about him and a nervousness that was apparent as he took up his glasses from his desk and folded and unfolded them while he talked. He is affable, yet about him there is a remoteness which seems impossible to overcome. Apparently he is cold, but in reality he is shy. This shyness, which makes it difficult for him to meet strangers, has lent color to the impression that he is aloof.

He is, by every rule of heredity, a city man; yet he enjoys the excitement of the hunt more than the persiflage of the parlor. A student all his life, he nevertheless prefers a saddle to a padded chair. The strenuous life as preached by the man who first called him to public office appeals to him, though he has none of the abundant nervous energy of the first famous Roosevelt.

Born to wealth and having increased his fortune by his own efforts in law, he is little interested in money. He owns an early American house near Washington and an estate on Long Island; yet, whenever he can, he seeks the simplicity of some rustic retreat where before a log-fire he can read a mystery story or reread "The Irish R. M.s," or laugh once more over the doings of Don Marquis's "Old Soak."

His appearance as well as his manner contradicts his predilections. His graying hair, which, though parted in the middle, hangs over his forehead somewhat in the manner of a bang, and his prominent nose and stubby mustache at once bring up memories of Elihu Root—a man, by the way, who has had much influence on Mr. Stimson's life. In cast and carriage, like that venerable statesmen, he is typical of old New York—not the New York of "East Side, West Side" but the New York of that great avenue which starts at Washington Arch and ends at Central Park, the New York that broadens its A's and still looks to New England as the seat of American learning.

It was in New England that the Stimsons first settled in this country. That was in the early part of the seventeenth century. By the time Henry Lewis was born, sixty-five years ago, the famiiy had accumulated a considerable fortune. His father had been fashionable New York's most-sought-after physician, and young Stimson, had he so desired, could have looked forward to a life of ease and luxury. But the blood of those New England ancestors who tilled a stony soil and fought both Indians and British was in his veins. The artificiality of the New York of the '80s palled on the Yale student as it did on Theodore Rooseveit and, like him, he sought the West during his college vacations.

It was Elihu Root who first called Mr. Stimson to the strenuous President's attention. Their memorable meeting in Washington's Rock Creek Park, when the then Secretary of War hailed his younger law partner from across the creek and Mr. Stimson rode his horse through the water to come alongside Mr. Root and Mr. Roosevelt, resulted in his appointment as United States Attorney for New York.

Mr. Stimson's vigorous handling of sugar trust cases and his prosecution of Charles W. Morse, the New York banker, made him the logical candidate for Governor in 1910. But Mr. Stimson is no campaigner; he is no back slapper and his manner of speech does not lend itself to political orations. He went down to defeat and was content to retire to his law practice. But Roosevelt understood his fellow New Yorker and recognized his ability. He and Mr. Root persuaded President Taft to make Mr. Stimson Secretary of War.

When Taft was defeated for re-election his Secretary of War once more retired from public life, and

except for service as a Colonel of Field Artillery during the war he practiced law for fifteen years.

Then President Coolidge sought him out and sent him to Nicaragua as his special representative to smooth out some of the troubles of that republic. It is doubtful whether Mr. Stimson liked his mission, but above all else in him is the old Roman idea of a sense of duty to country. Over and over again as he spoke to me he stressed this.

"Public Service," he said, "offers opportunities for doing constructive work, for bettering conditions and aiding many in their everyday problems. It is a great responsibility which when demanded cannot be shirked. But there is also a responsibility resting on the citizens at large. It is their duty to take a deep and intelligent interest in public affairs. It is only through this interest upon the part of all the citizens that a government can last."

It was this sense of duty that prompted him to accept the post. He filled it so well that upon his return he was made Governor General of the Philippines. There this man with an aristocratic lineage wiped out class distinctions. He recognized no color lines, broke all precedents and traditions. When he visited various parts of the islands it was an interested observer rather than as a Governor.

When President Hoover took office he called Mr. Stimson back from the Philippines to take charge of the Department of State. As Secretary, he led the American delegation to the London Disarmament Conference, and he has taken an active röle in the diplomatic negotiations centred about the dispute between China and Japan:

"The mechanical inventions of the nineteenth century," he said in reply to a question concerning American isolation, "and the revolutionary changes in industrial and social organization by which they were accompanied have necessarily produced changes in our ideas. All nations have become less self-contained and more inter-dependent, and the United States is no exception to that rule. The American policy is one which combines a readiness to cooperate for peace and justice in the world with independence of judgment and flexibility of action.

"Do you remember what Briand said? 'An act of war in any part of the world is an act that injures the interest of my country.' This reflects the interdependence of all nations, and this interdependence has brought about a change in the attitude of the world toward former customs and doctrines.

"Most important of these is the change of attitude toward war. Before the World War many men had visions of a warless world; yet nothing much was effected. War was looked upon as more or less natural, and a large part of international law was a development of principles based upon its existence. Neutrality was predicated upon the duty of a neutral to maintain impartiality between belligerents. When a conflict occurred it was usually regarded as the concern of only the parties to the conflict.

"But when the World War opened it was soon realized that the great inventions which had been made brought with them new methods of warfare and new conditions. The populations of industralized States were more dependent than ever upon distant sources. The result was that the civilized world became more vulnerable. The inconsistencies of war with normal life became more acute. The laws of neutrality became increasingly ineffective in preventing strangers to the original quarrel from being drawn into the general conflict.

"The struggle gave tangible proof that if things continued as they were going, war, perhaps the next one, would drag down and destroy our entire civilization."

Human organization, Mr. Stimson said, was by now too complex to be subjected to the hazards of the new agencies of destruction turned loose under the sanction of old-time international law. Hence, out of necessity and not out of impulse, came a change in public opinion against war.

"The peace conference," he pointed out, "saw the victorious nations enter into a covenant which sought to reduce the possibility of war. The League of Nations Covenant did not actually proscribe wars, but it limited them. It furthermore provided, under certain circumstances, for the use of force by the community of nations against a wrongdoer. War was to be restricted, if possible, by conferences for the purpose of conciliation. These have already proved effective. I should say that there has been developed as a result of this, particularly among the nations of Europe, a community spirit which can be evoked to prevent war.

"Four years ago came a still more sweeping step. Under the terms of the Paris Pact—the Briand-Kellogg pact—all the nations of the world united in renouncing war altogether as an instrument of national policy and agreed that the settlement of all disputes should never be sought except by pacific means.

"War," he concluded, "is no longer to be considered the source and subject of rights. It is an illegal thing. The effect of this change in public opinion is not fully realized as yet."

Japanese Cheap Products Flood United States

Complaints that the importation of cheap incandescent lamps from Japan is injuring the American industry were made before the Commissioner of Customs at Washington Oct. 21, by representatives of American manufacturers. They testified that importations from Japan amount to about twenty per cent. of American consumption and that in September 18,000,000 bulbs were imported.

D. S. Youngholm of the Western Electric Company with factories in New Jersey testified that 79,000,000 bulbs were imported into the United States in the first nine months of the present year and that as a result two thousand or more persons had been made jobless. Data produced showed that Japanese lamps sold at a higher price in the home market than the American market and action to protect the American industry was requested.

Edward J. Poor, representing the Hygrade Sylvania Corporation of Salem, Massachusetts, said that electric lamps of Japanese make were sold to the retail trade for from two to six cents, similar to lamps which his company produced of which the material alone cost 2.24 cents.

N. L. Sloan, representing the General Electice Company, testified that the Japanese had taken away the entire Christmas tree electric light market from American producers.

President Herbert Hoover declared at Indianapolis Oct. 27 that Japanese pottery is flowing over United States borders, depriving American work men of jobs and forcing American manufacturers to greatly reduce their output. The President cited the flood of pottery as evidence of a higher tariff on many articles that are now produced in foreign countries that are taking advantage of the depreciated currency. The Republican party, if continued in power he said, will continue its policies of protection against such wholesale dumping, the President said.

Cheap Japanese Fish and Matches

Representatives of the American grass and fiber rug industries at the hearing of the Bureau in Washington charged that scores of American factories soon will be forced to close because of competition of cheap imports from Japan and other countries. It was charged that Japanese grass rugs virtually are dumped on the United States market at prices far below the cost of home production because of cheap labor whicn can be paid by the Japanese manufacturers in depreciated currency.

American canned fish producers testified at Washington Oct. 25 that unless prompt relief from importations of fish products from abroad was given their business would be wrecked. Testimony was given to the effect that importations of Japanese salmon, tuna, crab meat and fish oil had been increasing for three years and that it is now impossible to compete with the low prices. Their witnesses said that Japan sent 5,500,000 pounds of canned salmon this year, contrasted with a negligible amount last year. Packers asked the Customs Bureau to bring in a finding that foreign countries were dumping their products in the United States and to grant them relief through increased duties or the barring of said products on the ground of mislabelling.

Allegations that Japanese safety match producers have been flooding the American markets since the Japanese industry broke away from the Swedish Match Trust following the death of Ivar Krueger were made by representatives of the American match companies. F. G. Balge of New York, representing the entire American match industry, said that after Krueger's death the Swedish trust lost control of the Japanese industry which

immediately started shipping matches to all parts of the United States. He said that Japanese matches were offered at fifty cents a gross in the United States, which was cheaper than the price at which American manufacturers could sell them.

Japanese Exports and Imports Increase in Past 9 Months

It was announced in Tokyo Oct. 29 that according to the foreign trade returns compiled by the Ministry of Industry and Commerce for the first nine months of this year, Japan alone of the five nations, Britain, the United States, Germany, France and Japan, had increased both her imports and exports. The figures for Japan are as follows:—

	9 months last year
Imports	Yen 10,537,000,000
Exports	„ 9,380,000,000
	9 months this year
Imports	Yen 9,656,000,000
Exports	„ 7,793,000,000

The Japanese Ministry of Finance Oct 31 announced that the approximate result of Japan's foreign trade during the last eleven days of October was as follows: Exports, Yen 57,236,000: Imports, Yen 37,278,000; Total —Yen 94,514,000. Balance—Excess of export: Yen 19,958,000.

Summing up totals since the beginning of January last to present date, it now stands at the undermentioned figures: Exports, Yen 1,083,648,000; Imports, Yen 1,149,764,000; Total—Yen 2,233,412,000. Excess of imports, Yen 66,116,000.

House of Commons Hears of Japanese Silk Dumping

The alleged dumping of Japanese goods, particularly silks, into British colonies was brought up in the House of Commons Nov. 1

Samples of white and colored Japanese silk were displayed in the House by a Conservative member to enforce his strong argument in favor of more drastic action than was provided for in the recently concluded Ottawa agreements to counter Japanese silk dumping. He declared that this dumping was going on in all colonies and the Dominions. Silk cloth of Japanese manufacture was, it was asserted, selling at 2s 9d a yard on which a duty of 2d a yard had been paid in duty. The Macclesfield manufacturers estimated that the cost of production of such silk is 4s 1d a yard.

Narcotic Manufacturers Object to Publicity

A message from Geneva last week stated that the report of the Central Opium Board, recently completed, contains the figures for manufacture of narcotics as communicated by the various governments. It is rumored that the German Government, which had already objected to the releasing, by the Board, of its figures of manufacture, now objects to the report being released to the public.

The League's Supervisory Committee on September 20, refused to sanction the expenditure connected with the putting into effect of the Convention for the Limitation of the Manufacture of Narcotics. Forgetting that the United States of America has ratified the Convention, the Committee has adopted the anti-juridical stand that, even if ratified by a sufficient number of governments to bring it into force on July 13, 1933, the Convention would not—as far as the League is concerned—become operative in 1933. Friends of the anti-opium movement say cynical disregard of obligations cannot go further.

Panchan Lama Says China Needs Religion

The Panchan Lama, the spiritual head of Tibet, who has been conducting a series of prayer meetings in Peiping at a reception given him last week by Chinese newspaper men said that since he left Tibet for China, almost 10 years had elapsed. He felt that the policies of the central government as well as the political theories of various leaders in the country were all excellent and sound and that if the people could follow them, peace would be sure to come to China But why was China in such chaos today? Because the people were unable to distinguish between right and wrong, and good and evil. It was, therefore, necessary that religious influence should be brought to bear on them so that their heart could be reformed. Religion should be enlisted in the task of regenerating China, he said.

For Fast and Efficient Radio Telegraph Service to all Parts of the World Send

RADIOGRAMS

"via CGRA-RCA"

RADIO IS THE QUICKEST AND MOST RELIABLE MEDIUM FOR ALL TELEGRAPHIC COMMUNICATIONS. IT HAS BROUGHT ABOUT RATE REDUCTIONS AND INAUGURATED NEW CLASSES OF SERVICE TO MANY COUNTRIES....

In CHINA file your messages "via CGRA—RCA"

(Chinese Government Radio Administration R.C.A. Communications, Inc.)

R.C.A. Communications, Inc.

(A Radio Corporation of America Subsidiary)

Office of Representative—Sassoon House—Shanghai.

GARGOYLE

CHANGE TO WINTER GRADE

Mobiloil

China's Four-Year Plan for the Development of the Yangtsze Valley

BY PAUL K. WHANG (汪 申 芳)

INSPIRED by the much advertised success of Soviet Russia's various plans of elevating her international standard, the Chinese officials have cherished an ambition to emulate the Soviet example in the task of reconstructing China. Nowadays, it has been a fashion among the officials from the cabinet ministers down to the city magistrates that as soon as they have received their government appointments their first duty is to draft and publish a three-or five-vear plan so as to hypnotize the public to believe that if they are kept long enough in their offices, their administration will not fail to contribute something good to China and her people.

Thus we have heard and read plans of reforming China's currency system, of eliminating China's high rate of illiteracy, of promoting and reorganizing this industry or that, of developing and reforming this city or that, and plans of every description. In mapping out these plans, the advice of foreign experts has been solicited and special commissions has been created. But once these plans have been published, they have very seldom been carried out, and as a result, many of them have remained on paper.

The latest government gesture which strikes our fancy is the four-year industrial development plan which is to transform the Yangtsze Valley into China's premier industrial district. The plan which has recently been announced by Chen Kung-po, Minister of Industry, includes the following enterprises:—(1) coal mines, (2) steel plant, (3) ammonium sulphate factories, (4) machinery and tools, (5) copper plant, (6) petroleum, (7) power plant, (8) motor cars, (9) electricity, (10) sugar refinery, (11) paper manufacturing, and (12) porcelain.

This is the most ambitious plan ever put up by the National government, and though it may not be parallel to Russia's "five-year plan," it is certainly of great importance to China. It goes without saying that the development of these industrial enterprises will push China toward the goal which her people have so much longed to reach.

The plan, on the surface, seems to be very extensive in scope, inasmuch as it includes the development of nearly all the major industries. If it is carried out, it will enable China not only to supply her need of coal and steel, but also to produce sugar and paper to replace foreign imports. But after a close examination, one will find that the plan, in spite of its extensiveness, can not be said to be complete as it fails to give due recognition to the importance of several other industrial enterprises, which have a much closer bearing upon China than some of the enterprises included in the plan.

In announcing the plan to the public, the government has knowingly or unknowingly omitted to mention when and how the plan will be carried out. Is the government going to execute it right now or some time in future? Since the plan is styled as a four-year one, the element of time, therefore, must be emphasized. Moreover, how is the money going to be raised to support the plan? In view of the extensiveness of the plan, the money needed to develop various enterprises must be enormous, and one can not help wondering how the needed capital can be raised at this particular time.

Practicability Open to Question

Unless we are assured of the financial side of the question, we have reasons to doubt the government's financial ability in promoting these enterprises all at once. Without reflecting upon the sincerity of the government officials, we must be excused for saying that in their anxiety to industrialize China they have somewhat overlooked the practicability of the plan. This gigantic plan might be full of promises when the country is free from domestic strife and foreign aggression; but when the condition of the country is as precarious as it is today, its practicability must be open to question.

In executing such a gigantic plan, the government must look forward to the financial assistance either from abroad. At the present juncture, it is idle to invite domestic investment when the people are holding tight their pursestrings in face of business depression, and it will be equally futile to solicit foreign investment when the house is not in good order.

It takes about six months for the Ministry of Industry to negotiate with the German interests to establish a steel plant in Central China, but so far no definite agreement has yet been reached. The latest report has it that the Chinese government will establish one without German assistance. If to establish a single steel plant is not an easy task, it can be easily understood what difficulty it will involve to develop all the other enterprises listed in the plan.

To draft a plan is easy, but the task of carrying it out is stupendous. No matter how admirable the plan is, it will not do any good to the country, if the financial support is still wanting.

Moreover, from the plan we can also see that the government in its anxiety to develop new industries has totally overlooked the necessity of rehabilitating old industries. Among the twelve enterprises listed in the plan, only the last one, namely, porcelain, is a long established enterpise in China. If porcelain business should be developed, how about shipping, silk and tea enterpises? It must be said that shipping, silk, and tea enterpises deserve more government attention that porcelain business. We have our reasons to make this statement.

Shipping is one of the basic industries, and all the principal countries in the world have built up a fleet of modern ships to serve their needs. In spite of her extensive coast lines and long navigable rivers, China has now only 750,000 tons. But of this tonnage some 80 per cent is past the age of of economic efficiency. It is obvious that with the possession of a fleet of these old and obsolete ships, China can hardly serve her own needs, with the result that most of the shipping business in Chinese waters has been monopolized by foreign ships. It is deplorable to note that Great Britain and Japan respectively have more ships plying in Chinese waters than China has. Moreover, China does not possess a modern dock to build her own ships. If the government officials have not lost sight of these anomalous conditions concerning the shipping industry, they certainly can not afford to exclude the development of shipping enterprises in their gigantic industrial plan.

Why China Lost Her Premier Position in Silk

Silk is the foremost industry which China habitually boasts of, but because of the tardiness in introducing reformes into the industry on the part of Chinese producers, China has lost her premier position to Japan. In face of business depression and foreign competition, China's cocoon and silk productions have been steadily declining, and if the present unhealthy state of affairs continues indefinitely, the end of China's silk industry is only a matter of time. Nothing is more tragic than to see the elimination of China's once world-renowning product from the international markets. Therefore no industrial program can be said to be complete without including the silk industry in it.

Just as silk, tea is also one of China's famous products. In olden days, tea and silk were both prized by foreign traders. In the Yangtsze Valley, Kiangsi is famous for the production of tea. But because of the lack of improvement in the planting of trees and the procees of curing, China's tea export has also been falling rapidly. The inferiority of the quality of our tea has driven our customers away to Ceylon and Japan for their supply, and therefore we have also lost our predominant proportion of the world's tea trade. Thus in mapping out an industrial plan for the development of the Yangtsze Valley, the officials have no reason to leave out the tea enterprise from their program.

It is true that porcelain is China's long established enterprise and Chinese porcelain products have been well-known in other countries. But the importance of porcelain enterprise to China is relatively small in comparison with that of shipping, silk and tea. It must be noted that Chinese porcelain products have never at any one time played an important role in China's foreign trade as silk and tea once did. Therefore, it is really inexplicable that an elaborate industrial plan should include a porcelain enterprise, but leave out of consideration more important enterprises.

In mapping out an industrial plan, two considerations should always be kept in mind, that is, the development of new enterprises and the upholding of old industries. This

is especially true with China where many industries though long established are either still in their infant state or in their rapid decline. Infant industries must be helped to their full development, and declining enterprises must be rehabilitated. In the former category, we have the shipping industry, and in the latter, silk and tea enterprises.

We must develop our shipping industry, so that we can free ourselves from the foreign influence and in the end regain our lost navigation rights. We must rehabilitate our silk and tea enterprises, so that we can recover our exports as a means to offset our present excessive imports

Important Industries Neglected

Therefore the present industrial plan can not be said to be complete as it leaves out some of China's important industries. Neither can it be considered practicable when the problem of finance is left unsoved. However, it is praiseworthy to note at this time when the country is faced with domestic and foreign troubles the government officials have not yet lost sight of the importance of the work of reconstruction and have launched a movement striving for China's economic independence. It is fervently hoped that the government will see to it that in spite of its incompleteness and apparent financial difficulties the plan thus formulated should not remain on paper and should be caried out at the earliest favorable moment.

Shanghai, Nov. 7, 1932.

Squatters Appeal Against Eviction Orders

United pressure of local government, Kuomintang and other Chinese public organizations to stop the Shanghai Municipal Council from pulling down straw huts in the Yangtszepoo District was asked last week by more than 2,000 squatter straw hut dwellers who have been or will be deprived of their shelter by the action of the S.M.C. A delegation of five men of Kiangpeh coolies and other people of the working class residing in straw huts on Yangtszepoo, Hailong, Manchow, Heilungkiang and Sungpan Roads visited the offices of the local Tangpu, the City Government of Greater Shanghai, the Chinese Ratepayers Association of the International Settlement and Dr. John C. H. Wu, legal advisor to the Shanghai Municipal Council, urging negotiations with the S.M.C. for retention of their huts. The Municipal Council lately decreed that these huts must go, as the space was needed for development purposes. Furthermore the huts were a menace both as regards fire and epidemics.

Home for Blind Commemorates Twentieth Birthday

The twentieth anniversary of the founding of the Institution for Chinese Blind, 290 Hungjao Road, Shanghai, was celebrated Nov. 5. Mayor Wu Te-chen of the Municipality of Greater Shanghai, was the principal speaker at the ceremony.

George B. Fryer, superintendent of the institution since its founding, made the opening address. He urged that steps be taken immediately for the construction of a gymnasium where regular drill classes could be conducted. He also pointed out the urgent need for a hospital and concluded by making an open appeal to the Chinese Government to aid the institution in realizing the new aims of the institution.

George A. Fitch, chairman of the committee on management of the institution, presided at the meeting.

Yenching Professor Points Out Mineral Wealth of Shansi

Dr. Erik Nystrom, professor of geology at Yenching University and a former resident of Shansi, in the course of a lecture before members of the Peiping Rotary Club Nov. 3, stated that Shansi is very rich in coal, iron and other minerals. He said Shansi is bound to be industrialized sooner or later, especially as only 26 per cent. of the land in the province can be cultivated. Some Chinese companies have been formed to exploit the coal resources of the province but the success so far achieved has not been very conspicuous.

Dr. Nystrom paid a warm tribute to C. C. Wang of the Geological Survey, who prepared the geological map of Shansi, with the aid of which the speaker illustrated his talk. He said this showed what Young China could do.

Your Telephone Means a Lot to Your Friends

Half the value of your telephone lies in what it means to those friends who enjoy your companionship.

The other half lies in what it means to you. Saving your time. Doing your errands and countless other things.

Nothing else does so much for so little.

Consult the Business Offices Now:—

232 Kiangse Road *Telephone* 11400
1200 North Kiangse Road *Telephone* 41415

SHANGHAI TELEPHONE COMPANY

China Electric Company
LIMITED

Manufacturers and Importers of Manual and Automatic Telephone Equipment.

HARBIN SHANGHAI PEIPING
TIENTSIN HANKOW
CANTON HONGKONG

Shanghai Office: 230, Medhurst Road

T. V. Soong Optimistic for China's Future

T. V. Soong, Acting President of the Executive Yuan, in an interview at Nanking Nov. 6, scouted recent press reports that a responsible Japanese official had told newspapermen that "negotiation with China is a greater problem than the Manchurian question, but one does not know where the Chinese Government actually is, or who is directing it." Kuo Min's account of the interview follows:

"I doubt the accuracy of the report, because if my memory does not fail me, it was but a scant few weeks ago that His Excellency M. Ariyoshi presented his credentials to the Government. If the statement attributed to the Japanese official is correct, he would be repudiating his own Minister, and would thus confirm the conclusions of Newton Baker, the American statesman, last winter that any country entering into treaty relations with Japan and seeking to be on the safe side should sign two sets of treaties, one with her Ministry for Foreign Affairs, and another with her General Staff.

"Probably President Wang Ching-wei's departure for Europe for treatment by the medical savants at Hamburg furnishes excuse for the report of a split within the National Government, but the public, by his frank statements and the fact that his colleagues remain in the Cabinet, knows better than to place faith in the rumor. Mr Wang's visit to Geneva during the League session to confer with the Chinese delegates will serve to put a final quietus to that report.

Government Gains Strength

"Despite adverse factors such as the invasion of Manchuria and Shanghai, the disastrous floods and the world-wide economic crisis, the National Government is steadily growing in strength. As soon as the Japanese army was withdrawn from Shanghai last spring, the Government immediately embarked on a campaign to suppress the Communists who had expanded alarmingly during the Japanese invasion. In a vigorous although unadvertised six months' campaign, the communists' regions in the three provinces of Anhwei, Hupeh and Honan, which at one time occupied 30,000 square miles, were recaptured, and the organized communist armies completely broken up, so that north of the Yangtsze River there remain only small roving bands of malcontents to be liquidated. General Chiang Kai-shek is now transferring the bulk of his troops to Kiangsi, where remains the last stronghold of communism and in the near future, always provided that no further interruptions are caused by the Japanese armies, the militant phase of communism in China will be definitely closed.

"Superficial observers may be impressed by propagandists' claims that the sporadic fighting in Shantung and Szechuen betrays the growing impotence of the Government, and foreshadows its downfall. It may sound paradoxical, but I rather look on the restraint of the Government as evidence of its growing strength. In September last year, when the Manchurian trouble began, I ventured to prophesy that the period of civil wars was drawing to a close. Time was when armed squabbles among the military were met instantly by peremptory orders and the despatch of government divisions to the scene, but today the Government, convinced that unification of China by force is neither possible nor desirable, seeks to solve local disputes by the exercise of its moral sanctions aided by the growing force of public opinion.

Real Peace Sentiment Growing

"The League Against Civil War, which is composed of the sound elements of the nation, is gaining rapidly in power and strength, and will soon become an important factor in outlawing the use of military force to solve political problems. As far as its own wishes could determine events, the Central Government will reserve its troops for defence against foreign invasion and the suppression of those elements seeking to overthrow the prevailing social order by force.

"The adoption of this policy of forbearance has so far justified itself. The armed dispute in Canton last summer was localized and burned itself out; the recent squabbles in Shantung have been stopped; and there are reasons to believe that the disturbance in Szechuen will also be quelled without entailing the use of force by the Central Government. I cannot help feeling that in aligning itself with the people, who are thoroughly sick of civil wars, the Central Government has broadend the basis of its own support.

"In a negative way, this police has saved the Government untold hundreds of millions such as were spent in past years in checking similar outbseaks. Moreover, it has prevented the diverpion of the Government's attention from the communist problem, and has quen enabled it to commence its reconstruction program. As an instance, under the most adverse circumstances, the Government has completed 2 000 kilometres of dykes along the Yangtsze River, which will prevent the recurrence of the calamitous Yangtsze floods last year.

"In this connection, well-informed observers have remarked that the Government is pursuing its reconstruction program with ever increasing objectivity. Instean of drawing up alluring platform promises, it has come down to reality, has recast its plans on what is immediately practicable, and is making it possible to enlist technical and financial assistance from abroad. The Railway Ministry has before it a modest and attainable program for completion of the Canton-Hankow Railway, the Tchengchow-Shihkiachwang Railway, the Lungha Railway, as well as the rehabilitation of the existing railway lines. With the assistance of experts from the League of Nations, other Ministries are working out questions of land tenure and agricultual credit, mass education, central field stations in hygiene and agriculture, improved telegraph and telephone facilities, construction of national highways and the improvement of the silk industry.

"In the field of goverment finance, through the success of the internal loans conversion scheme, the practice of strict economy, and recent improvements in tax administration, the Government has been able to dispense with the necessity of making loans during the past nine months despite unprecedented difficulties such as the seizure of Customs and Salt Revenue in Manchuria. It is true that the drastic curtailment in civil and military expenditure has entailed much suffering and handicapped many needed developments, but the striking fact today is that China is one of the very few countries in the world that does not have to resort to borrowing to balance its budget.

"The proof of the pudding is in the eating. China's foreign credit has risen steadily and now stands high in the list of nations. During the last twelve months in the London market, the Reorganization Loan of 1933 has risen from 61 to 73, the 1898 Loan from 82 to 96, and the 1908 Laon from 50 to 75½. Within the country, the domestic bonds in the last few months have also shown gratifying advances. If any index is sought, I submit that growing confidence reflected in Government bond prices at home and abroad father than the inspired productions of hostile propagandists should be taken as the touchstone of Government stability."

Portugal Alleged to Be Seizing Island Near Macao

The Chinese papers at Canton Nov. 6 reported that the veteran statesman, Tang Shao-yi, who is now magistrate of the Chungshan model district, has telegraphed Nanking urging the Foreign Office to lodge a protest with the Portuguese Government against the a leged attempt of he Macao authorities to seize Huangching Island north of Macao. It is alleged that the Macao authorities have despatched police to Huangching Island and have established a government office there.

The situation is said to have been aggravated by the recent detention aboard a Portuguese gunboat of two Chinese officials who had been sent to Huangching Island for surveying purposes. Tang Shao-yi is now in Canton studying documents relating to the Macao lease.

Chinese Ratepayers' Association Canvasses for Candidates

Canvassing of candidates for election as members of the Executive Committee and Supervisory Committee of the Chinese Ratepayers' Association of the International Settlement is now in progress in preparation for the forthcoming twelfth election. The Association in a recent circular notice called upon all Chinese residents "who have resided over five years in the Settlement and who possess real estate valued at Tls. 500 or more, who pay annual land taxes of over Tls. 10 or annual rent of over $500," to report to the Association on or before December 15 for the purpose of having their names recorded as "qualified persons" for election.

Shanghai District Court Discussed in House of Commons

A Conservative member asked the Foreign Secretary in the House of Commons in London Nov. 7 whether any, and if so what steps have been taken by the British Government to provide for the revision of the agreement expiring in April 1 between the Chinese Government and the Powers representing the International Settlement, relating to the Special District Court at Shanghai.

Replying, Sir John Simon said that notice had not been given to terminate the agreement. Proper measures to remedy existing abuses were under consideration and had been discussed between the British Charge d'Affairs (E. M. B. Ingram) and the Chinese authorities.

The interrogator said it was desirable to give notice "if we are to get real reforms." He suggested that if notice were given, the Government should ascertain that the Municipal Council at Shanghai was fully consulted regarding the necessary changes and that it should be represented, if necessary, on any body established to consider them.

Sir John Simon said he would like to have time to consider the suggestion.

Foreign Ministers Lodge Joint Protest on Newspaper Registration

The *Sin Wan Pao*, Chinese daily newspaper in Shanghai, reports that a protest has been lodged with the Ministry of Foreign Affairs by the British, American and French Ministers in Peking against the regulations governing the registration of newspapers, which provide that foreign language newspapers published in China must be registered with not only the Ministry of the Interior, but also with the propaganda department of the Central Kuomintang. The Chinese Government threatens to prohibit the foreign language newspapers from being sent through the Chinese Post Office should they fail to comply with the above regulations. The Foreign Minissers protested on the ground that there is no provision in the Chinese Press Law that foreign language newspapers thould be registered with the Party organ.

The Ministry of Foreign Affairs has referred the matter to the Central Political Council, according to the Chinese journal.

Dean of Missouri School of Journalism Departs from Shanghai

After spending four days in Shanghai, Dr. Frank L. Martin, associate dean of the School of Journalism of the University of Missouri, and exchange professor in journalism at Yenching University since the beginning of the year, departed from Shanghai on Nov. 8 traveling home to America by way of India and Europe. Mr. and Mrs. Martin were guests of honor at a tiffin party given by the Missouri graduates in Shanghai in the Chinese Bankers' Club building Nov. 7. The previous evening the *Shun Pao*, the *Sin Wen Pao*, the *China Times*, the *Eastern Times* and *China Press* were joint hosts to the Martins at a dinner party in the Hsinghualou Restaurant, Foochow Road.

Haskins & Sells Given Judgment Against Bert Hall

Haskins and Sells, certified public accountants, were given judgment for G.$133.87 in the American Consular Court last week by Commissioner A. Krisel in their action against Bert Hall, American aviator and author. The claim was based on a contract between Mr. Hall and B. A. Padon, who had been the manager of Haskins and Sells, in which the accountants were to ascertain the royalties due to Mr. Hall and John J. Niles from P. Holt and Company, New York publishers, from the publication of the book, "One Man's War."

"Graf Zeppelin" to Visit Dutch East Indies

Hugo von Eckener, the famous commander of the *Graf Zeppelin*, the only airship in the world operating on a commercial basis, wll visit the Netherlands East Indies in January. The purpose of his visit will be to study the possibility of starting a *Zeppelin* service between Amsterdam and Batavia. The *Zeppelin* has recently been making a series of voyages from Germany to South America, carrying passengers and mail.

EAT AT

Jimmy's

212 Szechuen Road

The only American Restaurant in Shanghai

TRY OUR HOT CAKES

Branch at 105 Broadway
Open all Night

PROMPT SERVICE

MODERATE CHARGES
Minimum $1.00

USE

ANGEL 安琪兒

This wonderful face cream removes freckles, cures pimples and eruption, whitens skin and beautifies complexion amazingly.

MYOTREN *for skin diseases*
妙特靈 皮膚病藥

OBTAINABLE AT
WING ON, SINCERE, LEE HWA and OTHER DEPARTMENT STORES and DISPENSARIES

HAVE YOUR MEALS AT

雪園

·C·U·A·Café

China United Building
104 Bubbling Well Road

WHOLESOME FOOD
BEST DRINKS
REASONABLE PRICES

Full Text of Lytton Commission of Enquiry's Report

The publication of the full text of the Lytton Commission's Report was commenced in "The Review" of Oct. 22 and will be continued until the end of the eighth chapter is reached. The ninth and tenth (concluding) chapters were printed in full in the Oct. 15 issue of "The Review."

Conclusions Offered

Tense feeling undoubtedly existed between the Japanese and Chinese military forces. The Japanese, as was explained to the commission in evidence, had a carefully prepared plan to meet the case of possible hostilities between themselves and the Chinese. On the night of September 18th-19th this plan was put into operation with swiftness and precision. The Chinese in accordance with the instructions previously referred to had no plan of attacking the Japanese troops, or of endangering the lives or property of Japanese nationals at this particular time or place. They made no concerned or authorized attack on the Japanese forces, and were surprised by the Japanese attack and subsequent operations. An explosion undoubtedly occurred on or near the railroad between 10 o'clock and 10:30 o'clock on September 18, but the damage, if any, to the railroad did not in fact prevent the punctual arrival of the southbound train from Changchun, and was not in itself sufficient to justify military action. The military operations of the Japanese troops during this night, which have been described above, cannot be regarded as measures of legitimate self-defense. In saying this the commission does not exclude the hypothesis that the officers on the spot may have thought they were acting in self-defense. The narrative of the subsequent events must now be resumed.

On the night of September 18th the Japanese troops in Manchuria were distributed as follows: In addition to the four companies of the Battalion of Railway Guards, which took part in the attack on the North Barracks, and the 29th Regiment of the 2nd Division under Colonel Hirata, which captured the Walled City of Mukden, already described, the rest of the 2nd Division was distributed in various places: the Headquarters of the 4th Regiment was at Changchun, of the 16th at Liaoyang, of the 30th at Port Arthur; other parts of these regiments were stationed at Antung, Yingkow and at many smaller places on the Changchun-Mukden branch and the Mukden-Antung branch of the South Manchuria Railway. Another battalion of Railway Guards was at Changchun, and units of the Railway Guards and Gendarmerie were distributed with the 2nd Division in the smaller places already mentioned. Lastly, there were the Garrison troops of Korea.

All the forces in Manchuria, and some of those in Korea, were brought into action almost simultaneously on the night of September 18th over the whole area of the South Manchuria Railway from Changchun to Port Arthur. Their total strength was as follows: 2nd Division 5,400 men and 16 field guns, Railway Guards about 5,000 men, Gendarmerie about 500. The Chinese troops at Antung, Yingkow, Liaoyang and other smaller towns were overcome and disarmed without resistance. The Railway Guards and Gendarmerie remained in those places while the units of the 2nd Division at once concentrated at Mukden to take part in the more serious operations. The 16th and 30th Regiments arrived in time to join Colonel Hirata and assisted in the capture of the East Barracks. The 39th Mixed Brigade of the 20th Division (4,000 men and artillery) concentrated at 10 o'clock on the 19th at Shingishu on the Korean frontier, crossed the Yalu River on the 21st and arrived at Mukden at midnight. From here detachments were sent to Chengchiatun and Hsinmin, which they occupied on the 22nd.

Changchun Occupied

The Chinese Garrisons of Kuanchengtze and Nanling at Changchun, with an estimated strength of 10,000 men and 40 guns, were attacked on the night of the 18th of September by the 4th Regiment of the 2nd Division and 1st Railway Guard Battalion stationed there (under Major-General Hasebe). Here, however, some resistance was shown by the Chinese. Fighting began at midnight. Nanling barracks were captured by 11 o'clock in the morning on the 19th, those of Kuanchengtze by 3 o'clock that day. The total Japanese casualties involved were 3 officers and 64 men killed and 3 officers and 85 men wounded. As soon as the fighting at Mukden was over, the Regiments of the 2nd Division were concentrated at Changchun, the staff, with General Tamon, the 30th Regiment and one Battalion of Field Artillery arriving on the 20th, and the 15th Brigade under General Amano arriving on the 22nd. Kirin was occupied on the 21st without the firing of a shot, and the Chinese troops were removed to a distance of about eight miles.

The Heraid of Asia, a semi-official Japanese publication of that time, states that all military operations were then regarded as completed, and that no further movements of troops were anticipated. The military operations which in fact ensued are attributed to Chinese provocation; an anti-Japanese demonstration at Chientao on the 20th: the destruction of a railway station at Lungsingtsun; and the explosion of some bombs which did no damage on Japanese premises at Harbin on September 23rd, are mentioned as examples of such provocation. Complaint is also made of growing banditry and of the activities of disbanded soldiers. All of these things, it is claimed, finally forced the Japanese to new military operations against their will.

The first of these operations was the bombing, on October 8th, of Chinchow, to which place the Provincial Government of Liaoyang Province had been transferred by Marshal Chang Hsueh-liang at the end of September. According to the Japanese account, the bombing was chiefly directed against the military barrancks and the Communications University, where the offices of the Civil Government had been established. The bombing of a civil administration by military forces cannot be justified and there is some doubt whether the area bombed was in fact as restricted as the Japanese allege. Mr. Lewis, an American honorary adviser of the Chinese Government, arrived at Chinchow on October 12th and wrote an account of what he found there to Dr. Koo, who passed on the information later to the commission in his capacity of assessor. According to Mr. Lewis, the military barracks were in fact not touched at all and a multitude of bombs fell everywhere in the town, even on the hospital, as well as on the university buildings. The commander of the bombing planes informed a Japanese newspaper shortly afterwards that four planes from Changchun were ordered to Mukden at 8:30 o'clock on the morning of the 8th. There they joined other planes and a squad of six scouting and five bombing planes were immediately dispatched to Chinchow heavily loaded with bombs and fuel. They arrived at about 1 o'clock, within ten to fifteen minutes dropped eighty bombs and immediately returned to Mukden. The Chinese, according to Mr. Lewis, did not return the fire.

Operations at Nonni

The next operation was that of the Nonni River Bridges, which started in the middle of October and ended on the 19th of November with the occupation of Tsitsihar by the Japanese troops. The justification for this given by the Japanese was that they were attacked while repairing the bridge over the Nonni River which had been destroyed by General Ma Chan-shan. But the story must be begun earlier and an explanation given of the destruction of the bridges.

At the beginning of October General Chang Hai-peng, the Garrison Commander at Taonan, who in former time had held the same rank as Ma Chan-shan and Wang Fu-lin, and had tried to become Governor of Heilungkiang in their place, started an advance movement along the Taonan-Angangchi Railway with the obvious object of seizing the Provincial Government by force. It is alleged in the Chinese assessor's document No. 3, and this view is supported by information from neutral sources, that this offensive was instigated by the Japanese. In order to prevent the advance of Chang Hai-peng's troops, General Ma Chan-shan ordered the destruction of the bridges over the Nonni River and both armies faced each other across the large and swampy valley of that river.

The Taonan-Angangchi Railway had been built with capital supplied by the South Manchuria Railway and the line was pledged as security for the loan. Accordingly the South Manchuria Railway authorities felt that the interruption to the traffic on this line could not be allowed to continue at a season when the transportation of crops from the north of Manchuria was particularly needed. The Japanese Consul-General at Tsitsihar, on instructions from his Government, requested General Ma Chan-shan, who had arrived at Tsitsihar on October 20th, to have the bridges repaired as soon as possible, but no time limit accompanied this request. The Japanese authorities believed that General Ma Chan-shan would delay as long as possible the repairing of the bridges, as this interruption helped him to keep General Chang Hai-peng's troops at a distance. On October 26th a small party of employees of the Taonan-Angangchi Railway and the South Manchuria Railway, without military escort, attempted to inspect the damage to the bridges, and was fired upon by Chinese troops in spite of explanations previously given to an officer of the Heilungkiang Provincial forces. This aggravated the situation, and accordingly on October 28th Major Hayashi, the representative of General Honjo at Tsitsihar, demanded the completion of the repairs by noon of November 3rd, stating that if they were not carried out by that date, engineers of the South Manchuria Railway, under the protection of Japanese troops, would take over the work. The Chinese authorities asked for an extension of the time limit but no answer was returned to this request and Japanese troops were dispatched from Saupingkai for the purpose of protecting the execution of the repair work.

Negotiations Indecisive

By November 2nd the negotiations had not progressed and no decision had been reached. On that day Major Hayashi delivered an ultimatum to Generals Ma Chan-shan and Chang Hai-peng, demanding that neither of them should use the railway for tactical purposes and that both should withdraw their forces to a distance of 10 kilometers from each side of the river. It was intimated that if the troops of either of these generals obstructed the repair of the bridges by the engineers of the South Manchuria Railway, the Japanese would regard them as enemies. The ultimatum was to take effect as from noon of November 3rd, and the Japanese protective detachment was under orders to advance to Tahsing, on the north side of the valley, by noon of November 4th. The Chinese assessor (document No. 3), the Japanese Consul-General at Tsitsihar and various officers of the 2nd Division all concur that General Ma Chan-shan replied that pending instructions from the Central Government, he provisionally accepted, on his own authority, the Japanese demands. But the Japanese witnesses, on the other hand, added that they did not believe in the sincerity of General Ma, who obviously did not intend to permit the damaged bridges to be quickly or effectively repaired. Twice on the 4th of November a joint commission, including Major Hayashi, a representative of the Japanese Consul-General and Chinese officers and civil officials, went to the bridges in order to avoid an outbreak of hostilities, and the Chinese delegates asked for a postponement of the Japanese advance. The demand was not complied with, and Colonel Hamamoto, the commander of the 16th Infantry Regiment, in compliance with his orders, advanced to the bridges with one battalion of his regiment, two companies of field artillery and one company of engineers to begin the repair work in accordance with the terms of the Japanese ultimatum. The engineers, under the command of Captain Hanai, started work on the moring of November 4th, and one infantry company, with two Japanese flags, began its advance to Tahsing Station by noon of that day.

Hostilities actually began during the second attempt of the above-mentioned mixed commission which went to the spot early in the afternoon of the 4th in order to make a last attempt to secure the withdrawal of the Chinese troops. As soon as firing began Colonel Hamamoto realised that his men were in a very difficult position and went immediately to their support with whatever troops he had available. A rapid reconnaissance convinced him that a frontal attack was impossible on account of the swampy ground, and that nothing but an encircling movement against the left wnig of the opposing force would help him out of this difficult situation. Accordingly he dispatched his reserve companies to attack the hill on which the left wing of the opposing forces rested, but the small number of his forces and the impossibility of bringing his guns near enough for action prevented him from gaining the position before nightfall. The hill was captured fy 8:30 o'clock, but no further advance was possible on that day.

The Kwantung Army Headquarters, on receiving a report of the position, immediately dispatched strong re-enforcements, and another battalion of infantry arrived during the night, enabling the Colonel to re-open his attack at dawn of November 5th. Even then, after a couple of hours and reaching the first Chinese position, he found himself confronted with a strong line of trenches defended, according to his own statement to the commission, with about 70 automatic and machine guns. His attack was held up, and his troops suffered heavy losses, as a result of a Chinese encircling counter-attack executed by infantry and cavalrymen. The Japanese troops were forced to retire, and for the second time they could do nothing but hold their position until nightfall. During the night of November 5-6, two fresh battalions arrived. This relieved the situation, and a renewed attack on the morning of the 6th rolled up the entire Chinese front, and brought Tahsing Station into the hands of the Japanese troops by noon. As Colonel Hamaoto's mission was only to occupy Tahsing Station, in

order to cover the repair work of the bridges, no pursuit of the retreating Chinese troops was made, but the Japanese troops remained in the vicinity of the station.

New Requests Alleged

The Chinese assessor, in the same document No. 3, alleges that Major Hayashi, on November 6, made a new request to the Heilungkiang Government, asking (1) that General Ma Chan-shan should resign from the Governorship in favor of General Chang Hai peng, and (2) that a public safety committee should be organized. A photograph of Major Hayashi's letter containing these requests was shown to the commission. This document further states that on the following day, without waiting for a reply, the Japanese troops began a new attack on the provincial forces now stationed at Sanchienfang, about 20 miles north of Tahsing, and that on November 8 Major Hayashi sent another letter repeating the demand for General Ma Chan-shan's retirement from the governorship of the province in favor of General Chang Hai-peng, and for a reply before midnight of that day. On November 11, the Chinese account continues, General Honjo himself asked by telegram for General Ma Chan-shan's retirement, the evacuation of Tsitsihar and the right for the Japanese troops to advance to Angangchi Station, again requiring a reply before nightfall of that day. On November 13 Major Hayashi increased the third demand to one for the Japanese troops to occupy not only Angangchi Station but Tsitsihar Station as well. General Ma Chan-shan pointed out in reply that Tsitsihar Station had nothing to do with the Taonan-Angangchi Railway.

On November 14 and 15 the Japanese combined forces renewed their attack with the support of four airplanes. On November 16 General Honjo demanded the retreat of General Ma Chan-shan to the north of Tsitsihar, the withdrawal of Chinese troops to the north of the Chinese Eastern Railway, and an undertaking not to interfere in any way with the traffic and operation of the Taonan-Angangchi Railway, these demands to be carried out within 10 days from November 15, and a reply to be sent to the Japanese Special Bureau at Harbin. When General Ma Chan-shan declined to accept these terms, General Tamon began a new general attack on November 18. General Ma Chan-shan's troops retreated, first to Tsitsihar, which was taken by the Japanese on November 19, and then to Hailun, to which place the administrative offices of the Government were removed.

Ma Gathers Troops

According to the evidence of Japanese generals commanding on the spot, the new operations did not begin before November 12. General Ma Chan-shan at that time had gathered about 20,000 of his troops to the west of Sanchienfang and even sent for the land colonization troops in Heilungkiang Province and the forces of General Ting Chao. Against these large forces, which showed an increasingly threatening attitude, the Japanese could oppose only the now concentrated division of General Tamon, consisting of two bridgades under Generals Amano and Hasebe. In order to relieve this tense situation General Honjo demanded, on November 12, that all Heilungkiang troops should retire to the north of Tsitsihar and that his troops should be allowed to proceed northward for the protection of the Taonan-Angangchi Railway. The advance did not begin before November 17, when the Chinese sent cavalry troops around the right flank of the Japanese and attacked them. General Tamon informed the commission that in spite of his small strength of 3,000 infantrymen and 24 field guns he ventured to attack the Chinese forces, and completely defeated them on November 18, with the result that Tistishar was occupied on the morning of the 19. One week later the 2nd Division returned to its original quarters, leaving General Amano with one infantry regiment and one battery of artillery at Tsitsihar to hold the place against General Ma Chan-shan's troops. This small Japanese force was subsequently re-enforced by the newly-formed "Manchukuo" troops, but these new troops at the time of our visit to Tsitsihar in Mary, 1932, were not yet considered capable of fighting the forces of General Ma Chan-shan.

The attached Military Situation Chart No. 2 shows the distribution of regular troops of both sides at the time of the first resolution of the Council. No account is taken of disbanded soldiers and bandit groups which at that time, specially infested the areas east and west of the Liao River and the Chientao District. Both the parties have accused each other of purposely instigating banditry,—the Japanese attributing to the Chinese the motive of wishing to create disorder in the lost parts of Manchuria, and the Chinese suspecting the Japanese of wishing to find pretexts for occupying the country and still further extending their military operations. The strength and military value of these gangs is so vague and changeable that it would not be possible to insert an accurate estimate of their significance jnto the picture of the military situation. The chart shows that the command of the Northeastern troops had succeeded in organizing a force of considerable strength in the southwestern part of Liaoning Province. These troops had been able to construct a strongly entrenched position on the right bank of the Taling River very close to the foremost Japanese outposts. Such a situation may well have caused the Japanese military authorities some anxiety as they estimated the total strength of these regular troops at 35,000 men, or about double the total admitted strength of their own forcees in Manchuria at that moment.

The Tientsin Incident

This situation was relieved by action taken in consequence of certain events which occurred at Tientsin during the month of November. Reports as to the origin of the trouble differ widely. There were two outbreaks, on the 8th, and the 26th, of November respectively, but the whole affair is extremely obscure. According to the Japanese account in the Herald of Asia, the Chinese population at Tientsin was divided between those who supported and those who opposed Marshal Chang Hsueh-liang, and the latter organized forces to create a political demonstration in the Chinese city by attacking the guardians of public order on November 8. In this dispute between two Chinese factions the commander of the Japanese garrison observed strict neutrality from the beginning but was forced to open fire when Chinese guards in the vicinity of the Japanese Concession began to shoot indiscriminately inti his district. His demand that the combating Chinese forces should keep at 300 yards' distance, the border of the Concession, did not relieve the situation which grew so tense that on November 11 or 12, all foreign garrisons mounted guard.

The account given by the Municipal Government of Tientsin is very different. They assert that the Japanese employed Chinese ruffians and Japanese plain-clothes men, who were formed into operating gangs within the Japanese Concession in order to start trouble in the Chinese city. Their police authorities being timely informed by agents of this situation, were able to repulse the disorderly bands emerging from the Japanese Concession. They say that from the confession of arrested members of these gangs they are able to prove that the riot was organized by the Japanese and that the men were armed with guns and ammunition of Japanese make. They admit that the Japanese

血來自造人

聖 "CHILAI" 補

藥 BLOODTONIC 血

Enrich your life's blood by taking BLOODTONIC. BLOODTONIC has stood the test of time and is justly famous.

Obtainable at all dealers or from

INTERNATIONAL DISPENSARY

581 Foochow Road, Shanghai

五洲大藥房

BONNY BABES.

One of the greatest aids to parents to-day for keeping their little ones healthy and strong is Baby's Own Tablets.

To grow up bonny and plump, children must avoid stomach and bowel troubles. Such childhood ailments retard normal growth.

The gentle laxative and stomach-cleansing action of Baby's Own Tablets ensures the normal digestion whereby baby or child can obtain the maximum nourishment from his food.

As a safeguard against stomach and bowel troubles generally, colic, flatulence, constipation, diarrhoea, croup, worms, feverishness and colds, and during teething, there is nothing so efficacious and safe as

BABY'S OWN TABLETS.

garrison commander complained on the morning of the 9th that some of his men had been wounded by stray bullets and that he had asked for a withdrawal to a distance of 300 yards, but they assert that in spite of their acceptance of these conditions the Japanese regular troops attacked the Chinese city with armored cars and shelled it.

Withdrawal Arranged

The account of the Municipal Government further states that on November 17, an agreement was reached which fixed the details for the withdrawal to a distance of 300 yards, but it asserts that the Japanese did not carry out their part of the agreement and that consequently the situation grew worse.

On November 26 a terrific explosion was heard, immediately followed by firing of cannons, machine-guns and rifles. The electric lights in the Japanese Concession were put out, and plain-clothes men emerged from it, attacking the police stations in the vicinity.

The Japanese account of this later disturbance as given in the Herald of Asia is to the effect that on the 26th the situation had become so much better that their volunteer corps was disbanded and that on the same evening the Chinese opened fire on the Japanese barracks, and as the fire, in spite of their protests, did not stop until noon of the 27th they had no choice but to accept the challenge and to fight the Chinese. The battle went on until the afternoon of the 27th, when a peace conference was held. On that occasion the Japanese demanded the immediate cessation of hostilities and police forces to a distance of 20 Chinese li from all places where foreign troops were stationed. The Chinese agreed to withdraw their soldiers but not their police forces, which were alone responsible for the safety of foreigners in that district. The Japanese say that on November 29 the Chinese offered their withdrawal from the neighborhood of the Concession: their offer was accepted; the Chinese armed police withdrew on the morning of the 29th, and the defence work was removed on the 30th.

The threatening situation at Tientsin on the 26th caused the staff officers of the Kwantung Army to propose to the commander an immediate expedition of troops via Chinchow and Shanhaikwan to re-enforce the endangered small force at Tientsin. As a mere transport problem it would have been easier and quicker to dispatch re-enforcements by sea via Dairen. But considered strategically, the suggested route had this advantage, that it would enable the advancing troops to dispose en route of the very inconvenient Chinese concentration around Chinchow. It was assumed that the delay in taking this route would not be long, as little or no resistance from the Chinese was anticipated. The suggestion was approved, and one armoured train, one troop train, and a couple of air planes crossed the Liao River on November 27 and their attack on the first Chinese outposts was sufficient to initiate a retreat of the Chinese troops from their entrenched position. The armoured car corps also changed its position. A shade of resistance led the Japanese to re-enforce their strength by more armoured trains, infantry trains and artillery. They also repeatedly threw bombs on Chinchow, but news of the improved situation at Tientsin soon deprived the expedition of its original objective and in November 29, to the great surprise of the Chinese, the Japanese forces were withdrawn to Hsinmin.

Henry Pu-yi Goes to Port Arthur

Another consequence of the earlier disturbances at Tientsin was that the former Emperor, who had been living in the Japanese Concession there, sought a safer refuge at Port Arthur on November 13, after a talk with Colonel Dohihara.

The districts evacuated by the Japanese were re-occupied by the Chinese troops, and this fact was widely advertised. Chinese morale was slightly raised; and the activities of irregular forces and bandits increased. Profiting by the winter season, they crossed the frozen Liao River at many points and raided the country round Mukden. The Japanese military authorities realized that even to maintain their existing positions re-enforcements would be necessary, and with these re-enforcements they hoped to be able to get rid of the menace of the Chinese concentration at Chinchow.

Meanwhile the situation in Manchuria was a subject of further discussion in Geneva. When accepting the resolution on December 10 the Japanese delegate stated that his acceptance "was based on the understanding that this paragraph (No. 2) was not intended to preclude the Japanese forces from taking such action as might be necessary 'to provide directly for the protection of the lives and property of Japanese subjects against the activity of bandits and lawless elements rampant in various parts of Manchuria.' Such action was admittedly 'an exceptional measure called for by the special situation prevailing in Manchuria,' and its necessity would end when normal conditions should be restored there." To that the Chinese representative replied "that the injunction to the parties not to aggravate the situation should not be violated under the pretext of the existence of lawlessness caused by the state of affairs in Manchuria," and several Council members taking part in the discussion admitted that "circumstances might arise there causing danger to Japanese lives and property and in such an emergency it might be inevitable that Japanese forces in the neighborhood should take action." When this matter has been referred to by Japanese officers who have given evidence before the commission it is usually asserted that the resolution of December 10 "gave Japan the right to maintain her troops" in Manchuria, or made the Japanese army responsible for the suppression of bandity there. In describing the subsequent operations they assert that while executing this right against the bandit forces near the Liao River, they incidentally came in conflict with the remaining Chinese forces near Chinchow which were in consequence withdrawn within the Great Wall. The fact remains that having made their reservation at Geneva the Japanese continued to deal with the situation in Manchuria according to their plans.

Re-enforcements Arrive

The 2nd Division, with the exception of its garrison at Tsitsihar, was concentrated west of Mukden. Re-enforcements soon began to arrive; the 4th Brigade of the 8th Division (*) between the 10th and 15th of December. On December 27 Imperial sanction was obtained for the dispatch of the staff of the 20th Division and another brigade from Korea. Changchun and Kirin were for the time being only protected by Independent Railway Guards.

As a Japanese advance on Chinchow was imminent, the Chinese Minister of Foreign Affairs made an attempt to prevent further fighting by offering to withdraw the Chinese troops to within the Great Wall provided that three or four foreign Powers were willing to guarantee the maintenance of a neutral zone north and south of Chinchow. Nothing came of the proposal. Meanwhile conversations were initiated between Marshal Chang Hsueh-liang and the Japanese Charge d'Afaires at Peiping, but these too were abortive for different reasons. The Chinese allege in their document No. 3, Annex "E," that at each successive visit, on December 7, 25 and 29, the Japanese delegate increased his demands concerning the Chinese retreat and his promises with regard to the restraint of the Japanese troops became more and more vague. The Japanese, on the other hand, claim that the Chinese promises to withdraw were never sincere.

The concentrated attack of the Japanese forces began on December 23 when the 19th Chinese Brigade was forced to give up its position. From that the advance continued with perfect regularity and hardly met with any resistance at all, the Chinese commander having given out a general order to retreat. Chinchow was occupied on the morning of January 3, and the Japanese forces continued their advance right up to the Great Wall at Shanghaikan, where they established a permanent contact with the Japanese garrison in that place.

The complete evacuation of Manchuria by the troops of Marshal Chang Hsueh-liang, practically without striking a blow, was not unconnected with the internal conditions of China south of the Wall. Reference has been made in an earlier chapter to the feuds between rival generals, and it must be remembered these feuds had not ceased.

The Occupation of Harbin

The comparative ease with which the offensive down to Shanhaikwan was carried out enabled the Japanese to release some of their troops from their original positions and make them available for advances in other directions. The main force of the 2nd Division, which had done nearly all the fighting so far, returned to their quarters at Liaoyang, Mukden and Changchun for a rest. On the other hand, the increased length of railway line to be protected against possible bandit raids at any point necessitated the use of a large number of troops the fighting strength of which was diminished by their distribution over such wide areas. The two brigades under the command of the staff of the 20th Division were left for this purpose in the newly occupied zone, and the 4th Brigade of the 8th Division joined them more to the north. The Japanese military authorities assured us that within these well guarded areas a state of law and order was soon established and that banditry was practically extinguished on both sides of the Liao River during the following weeks. This statement was made to us in the month of June, but at the moment of writing this report we read of vigorous raids from volunteer troops on Yingkow and Haicheng, with threats even to Mukden and Chinchow.

The district which at the beginning of this year gave more trouble than any other was that north and east of Harbin, to which the remaining followers of the two former Provincial Governments of Kirin and Heilungkiang had withdrawn. The Chinese generals in this northern sector seemed to have maintained some contact with Headquarters at Peiping, whence they received some support from time to time. The advance on Harbin began, as that on Tsitsihar had done, by an encounter between two Chinese forces. General Hsi Hsia at the beginning of January prepared for an expedition to the North with the view to occupying Harbin. Between him and that city were Generals Ting Chao and Li Tu, with what are described as anti-Kirin forces. According to information provided by the Japanese assessor, when our preliminary report was under consideration, satisfactory terms would have been arranged by negotiation between the parties had it not been for the influence of the authorities at Peiping. Negotiations were in fact initiated and while they were being carried on General Hsi Hsia advanced with his troops as far as Shuangcheng, which they reached on January 25, but when it came to serious fighting on the following morning in the immediate neighborhood south of the city, the advance was at once checked. The situation thus created was felt by the Japanese to be full of danger for the large Japanese and Korean colonies at Harbin. Fighting between two more or less irregular Chinese forces in the immediate neighborhood would have resulted in the retreat on the town of a defeated army, the horrors of which the recent history of China provides so many examples. Urgent appeals were therefore sent to the Kwantung Army, even Chinese merchants, so the Japanese assert, joining in the appeal from fear that their property might be looted.

Anxiety for Residents

Colonel Dohihara (now General), who, in this emergency, was sent to Harbin on the 26th in order to take over the office of the special Japanese service there, told the commission that the fighting between the two Chinese forces around Harbin continued for about 10 days, and that there was great anxiety for the 4,000 Japanese residents, who mostly lived in a menaced area together with 1,600 Koreans in the Chinese suburb of Fuchiatien, who were exposed to the danger of massacre. In spite of the fact that the anti-Kirin forces held the town during 10 days of continual fighting, the casualties among the Korean and Japanese residents were comparatively few. The latter organized themselves into armed volunteer bands and helped their nations to escape from the Chinese suburb. One Japanese and three Koreans are said to have been killed while trying to escape. In addition, one of the Japanese airplanes, sent to reconnoitre the threatening situation, was forced to land owing to engine trouble, and its occupants are said to have been killed by Ting Chao's troops.

These two incidents decided the Japanese military authorities to intervene. Again the 3nd Division was called upon to help its endangered countrymen. But this time the problem was not so much one of fighting as of transportation, the railway north of Changchun being a joint Sino-Russian undertaking. As the rolling stock of the southern branch of the Chinese Eastern Railway was greatly depleted, the commander of the 2nd Division decided to send, in the first instance, only General Hasebe and two infantry battalions. Negotiations with the railway authorities were started, but when these seemed likely to be long drawn out, the Japanese officers decided to enforce the transport of their troops. The railway authorities protested and refused to work the trains, but in spite of their opposition the Japanese military authorities succeeded on the night of January 28 in forming three military trains, which went as far north as the second Sungari bridge, which they found damaged by the Chinese forces. As the repairs were made on the 29th, Shuangcheng was reached on the afternoon of January 30. Early on the following morning, and still under cover of darkness, the small Japanese force was attacked by Ting Chao's troops, and severe fighting took place, resulting in the repulse of the Chinese, but no further progress was possible that day. By that time the Soviet and Chinese railway authorities had agreed that the transport of Japanese troops on the Chinese Eastern Railway would be allowed, on the understanding that they were proceeding with the sole object of giving protection to the Japanese residents at Harbin. The fares of the troops were paid for in cash. On February 1 the Japanese troops began to arrive and the main force of the 2nd Division was concentrated near Shuangcheng on the morning of February 3. Re-enforcements were even called upon from Tsitsihar, where, as will be remembered, a part of the 2nd Division had remained since November 19. But

(*) All the statements here given concerning numbers of units and strength of the Japanese forces are based on official Japanese information.

many difficulties had still to be overcome, as the line between Harbin and Tsitsihar was cut by the Chinese who at the same time attacked detachments of the Independent Railway Guards on the southern branch of the Chinese Eastern Railway at different places.

Troops Enter City

On February 3 the anti-Kirin troops, now estimated to have a total strength of about 13,000 to 14,000 soldiers with 16 guns, had taken up an entrenched position along the southern boundary of the city. The 2nd Division began to advance against this position on the same day, reaching the Nanchengtze River, about 20 miles north of Shuangcheng, on the night of February 3-4. Fighting commenced on the following morning. On the evening of the 4th the Chinese position was partly taken by the Japanese troops and by noon of the 5th a final decision was reached. Harbin was occupied on the afternoon of the same day, and the Chinese withdrew in the direction of Sanhsing.

The successful attack of the 2nd Division brought the town of Harbin into the hands of the Japanese authorities, but as it was not immediately followed by any pursuit of the retiring Chinese forces, little change was produced on the situation in northern Manchuria as a whole. The railways north and east of Harbin and the important waterway of the Sungari River still remained under the control of the anti-Kirin troops and those of Ma Chan-shan. The arrival of further re-enforcements, repeated expeditions to the east and north and six months of fighting took place before the occupied area was extended as far as Hailun in the north and the districts of Fangcheng and Hailin in the east. According to Japanese official statements, the anti-Kirin troops with those of General Ma Chan-shan were completely routed, but according to official Chinese sources, they are still in existence. Although reduced in their fighting strength they continually hamper the Japanese forces, at the same time avoiding actual encounters in the open field. According to newspaper information, both the eastern and western branches of the Chinese Eastern Railway are still being attacked and damaged at different places between Harbin and Hailin.

Operations Summarized

The Japanese operations since the beginning of February may be summarized as follows:

Toward the end of March the main part of the 2nd Division left Harbin in the direction of Fangcheng in order to suppress the anti-Kirin troops of Generals Ting Chao and Li Tu. The Division advanced as far as the region of Sanhsing and returned to Harbin in the earlier part of April. By that time the 10th Division had arrived at Harbin and took over the sector from the 2nd Division. This unit was engaged for about a month in constant fighting aginst the anti-Kirin troops with the greater part of its forces in the district near Sanhsing and with a minor detachment along the eastern branch of the Chinese Eastern Railway, in the direction of Hailin.

In the earlier part of May, the Japanese forces in the north of Manchuria were further re-enforced by the 14th Division. A detachment of this unit took part in the fighting against the anti-Kirin forces and advanced as far as the valley of Mutan River, south of Sanhsing, forcing the opposing troops to withdraw to the most eastern corner of Kirin Province. But the main operations of the 14th Division, which began in the latter part of May, took place in the region north of Harbin and were directed against the troops of General Ma Chan-shan. The 14th Division carried out its main attack to the north of Harbin, along the Hulan-Hailun Railway, and, with minor forces to the east from Koshan, the proposed terminus of the Tistsihar-Koshan Railway. The Japanese claim that during the earlier part of August the troops of General Ma Chan-sran were again effectively routed, and that they have strong evidence that the General himself was killed. The Chinese assert that the General is still alive. In this action cavalry, newly arrived from Japan, likewise took part.

During the month of August, several minor engagements took place on the borders of Fengtien and Jehol Provinces, mainly near the Chinchow-Peipiao branch line (of the Peiping-Mukden Railway), which is the only means of access to Jehol by railway. There are widespread fears in China that these events are only a prelude to larger military operations at an early date, aimed at the occupation of Jehol by the Japanese. The main lines of communication which still exist between China Proper and the Chinese forces in Manchuria run through Jehol, and the fear of a Japanese attack in this Province, which is already claimed as part of the territory of "Manchukuo," is not unreasonable. Its imminence is freely discussed in the Japanese press.

Japanese Version Given

The Japanese version of the recent events submitted to the commission by the Japanese assessor is as follows:

An official attached to the Kwantung Army Headquarters named Ishimoto was kidnapped by Chinese "Volunteers" on July 17 from a train traveling between Peipiao and Chinchow, within the boundaries of the Province of Jehol. A small detachment of Japanese infantry with light artillery made an immediate attempt to rescue him but failed in their purpose, and the result was the occupation of a village on the frontier of Jehol by Japanese troops.

During the latter part of July and in August, Japanese airplanes demonstrated several times over this part of Jehol and dropped some bombs, but "uninhabited areas outside the villages" were carefully selected. On August 19 a Japanese staff officer was sent to Nanling, a small town situated between Peipiao and the provincial boundary, to negotiate for the release of Mr. Ishimoto. On his return journey with a small infantry detachment he was fired upon. In self-defense the fire was returned, and on the arrival of another infantry detachment, Nanling was occupied but evacuated on the following day.

Through the Chinese assessor extracts were submitted to the Commission from the reports of General Tang Yu-liang, the Governor of the Province of Jehol. These reports claim that fighting on a much larger scale took place, and that a Chinese battalion of railway guards was in action against a superior number of Japanese infantry, supported by two armoured trains. They claim that the bombing referred to by the Japanese was directed against Chaoyang, one of the larger towns in that region, and that as a result 30 casualties were caused among both military and civilians. The Japanese offensive was resumed on August 19, when an armored train attacked Nanling.

The information given by the Japnaese assessor concludes by stating that, although the maintenance of order in Jehol is "a matter of internal policy for Manchukuo, Japan cannot be indifferent to the situation in that region in view of the important role played by Japan in the maintenance of peace and order in Manchuria and Mongolia, and that any disorders in Jehol would immediately produce very serious repercussions throughout Manchuria and Mongolia."

Tang Reports Measures

General Tang-Yu-ling concludes his report by stating that all possible measures were being taken to offer effective resistance should the Japanese attacks be renwed.

From these communications it seems that an extension of the area of conflict in this region is a contingency which must be reckoned with.

Why do you suffer?

Remember:

GARDAN

prevents and stops pain. It acts quickly and surely and helps to win many happy hours from life.

Obtainable at all Chemists.

BAYER

If it's BAYER it is good!

RESOLVE TO GET WELL!

And no half measures about it! Resolve to get back your former vigour and happiness. You know it would be worth the effort. To get rid of that half-alive feeling, that physical weakness, that inability to concentrate on mental work; to be able to eat what you like without a qualm, to enjoy life as other people do around you.

Certainly it's worth it. And so little needed to achieve success—a steady course of Dr. Williams' Pink Pills. Not half-hearted one—for you cannot expect results in a day. But Dr. Williams' Pink Pills will surely and with certainty build up the blood which has become weak and scanty, replenishing your veins and organs with a new and invigorating supply of the vital, lifegiving fluid.

Commence without delay. The sooner you start the sooner you will be on the high-road to abounding healh, vigour and happiness.

Although the main Chinese army was withdrawn within the Great Wall at the end of 1931, the Japanese continued to meet with opposition of an irregular kind in different parts of Manchuria. There have been no further battles such as occurred on the Nonni River but fighting has been constant and widely dispersed. It has been the practice of the Japanese to describe indiscriminately as "bandits" all the forces now opposed to them. There are, in fact, apart from bandits, two distinct categories of organized resistance to the Japanese troops or to those of "Manchukuo;" namely, the regular and irregular Chinese troops. It is extremely difficult to estimate the number of these two, and, as the commission was not able to meet any of the Chinese generals still in the field, it is necessary to make reservations with regard to the reliability of the information given below. Chinese authorities are naturally reluctant to give away exact information about such troops as are still offering resistance to the Japanese in Manchuria. Japanese authorities, on the other hand, are disposed to minimize the numbers and fighting value of the forces still opposed to them.

The remnants of the original Northeastern armies are to be found exclusively in the Provinces of Kirin and Heilungkiang. The reorganization of troops which took place around Chinchow late in 1931 was not of long duration, because all those units were subsequently withdrawn inside the Great Wall. But the regular Chinese troops, which, before September, 1931, were stationed in the Sungari region and along the Chinese Eastern Railway, have never been seriously engaged with the Japanese troops and continue to carry on a guerilla warfare which has given, and still gives, much trouble to the Japanese and "Manchukuo'" forces. The Generals Ma Chan-shan, Ting Chao and Li Tu have acquired great fame throughout China as leaders of these troops. All three are former brigade-generals in command of railway guards or garrison troops in North Manchuria. Probably the greater part of the troops under their command remained faithful to their respective leaders and the cause of China after the destruction of the Young Marshal's regime. The strength of General Ma's troops cannot easily be determined, because, as will be remembered, this general changed his allegiance. As Governor of Heilungkiang Province he was in command of all the provincial troops, the number of which was given to us as seven brigades in all. Since the month of April he has definitely taken up a position against Japan and "Manchukuo." The number of troops at his disposal between Holan River, Hailun and Taheiho is estimated by Japanese authorities as six regiments, or between 7,000 and 8,000 men. Generals Ting Chao anl Li Tu control six old brigades of Chang Hsueh-liang's army and have since raised in the country three additional brigades. Their total strength at the time of our preliminary report was estimated by Japanese authorities as about 30,000. But it is very probable that the troops of General Ma Chan-shan as well as those of Generals Ting Chao and Li Tu have considerably diminished in number since the month of April and are now below the estimated figure. Both units, as will be seen later on, have suffered a great deal from concentrated attacks of regular Japanese troops since the occupation of Harbin. At present they seem unable to hinder any operation by the Japanese troops and carefully avoid meeting them in the open field. The use of airplanes by the Japanese and the complete absence of this weapon on the other side account for the greater part of such losses as they have sustained.

Irregulars Distinguished

When considering the irregular forces it is necessary to distinguish between the different volunteer forces in Kirin Province co-operating with the armies of Generals Chao and Li. In our Preliminary report of April 29, 1932, we mentioned, on page 5, under the heading "Volunteers," three different volunteer armies and several minor corps, of the latter between Tunhua and Tienpaoshan remaining in touch with these regular troops of Generals Ting Chao and Li Tu. Owing to the absence of railways and other means of communications in these districts this corps still keeps the same position. Its Chief, Wang Teh-ling, united different "anti-Manchukuo" forces and kept them firmly under his command. Though this force may be of small significance compared with Japanese troops (which hardly exhibit any activity to the east of Tunhua), it seems well able to hold its own against the "Manchukuo" troops and maintains its position in a considerable part of Kirin Province. No evidence is available concerning the present activity of the "Big Sword Society" which, while keeping in touch with Wang Teh-ling, created considerable disturbance in the Chientao District. One the other hand, no action of importance has been undertaken against it by Japanese troops.

An official Japanese document has been submitted to the commission enumerating a large number of so-called route-armies and other Chinese units, each containing not more than 200 to 400 men, which form the sub-divisions of the volunteer armies. Their field of activity extends to the areas around Mukden and the Mukden-Antung Railway, to Chinchow and the boundary between Jehol and Fengtien Provinces, to the western branch of the Chinese Eastern Railway and to the district between Hsinmin and Mukden. Thus the area covered by these volunteers and the anti-Kirin forces combined comprises the greater part of Manchuria.

In the middle of August, fighting broke out in the immediate neighborhood of Mukden; at different places on the southern part of the South Manchuria Railway, especially at Haicheng and at Yingkow. On several occasions the Japanese troops have found themselves in a difficult position, but nowhere have the volunteers succeeded in attaining a victory of any importance. It seems doubtful whether any change in the general situation in Manchuria is to be anticipated in the near future, but at the time of the completion of our report fighting continues over a wide area.

Many Bandits Found

As in China, banditry has always existed in Manchuria. Increasing or diminishing in numbers in relation to the activity or the weakness of the Government, professional bandits are to be found in all parts of the Three Provinces and their services were often employed by different parties for political purposes. The Chinese Government has presented to the commission a document stating that during the last 20 or 30 years Japanese agents to a great extent instigated bandits to serve their political interests. A passage from the Second Report of Progress of Manchuria in 1930, published by the South Manchuria Railway, is quoted in this document to the effect that within the railway area alone the number of cases of banditry had increased from 9 cases in 1906 to 368 in 1929. According to the Chinese document quoted above, banditry has been encouraged by the smuggling of arms and munitions on a large scale from Dairen and the Kwantung Leased Territory. It is asserted, for instance, that the notorious bandit chief, Lin Yin-shin, was provided in November last with arms, munitions and other means in order to establish the so-called Independent Self-Defence Army which was organized with the help of three Japanese agents and destined to attack Chinchow. After the failure of this attempt another bandit chief got Japanese help for the same purpose but fell into the hands of the Chinese authorities with all his material of Japanese origin.

Japanese authorities, of course, see the state of banditry in Manchuria in quite a different light. According to them, its existence is due exclusively to the inefficiency of the Chinese Government. They allege also that Chang Tso-lin to a certain extent favored the existence of bandit gangs in his territory, because he thought that in time of need they could easily be converted into soldiers. The Japanese authorities, while admitting the fact that the complete overthrow of Chang Hsueh-liang's government and army greatly added to the number of bandits in the country, claim that the presence of their troops in the country will enable them to wipe out the principal bandit units within from two to three years. They hope that the organization of "Manchukuo" police and of self-defense corps in each community will help to put an end to banditry. Many of the present bandits are believed to have been peaceful citizens who on account of the complete loss of their property were induced to take up their present occupation. Given the opportunity of resuming the occupation of farming, it is hoped that they will return to their former peaceful mode of life.

*
**

Chapter V—SHANGHAI

At the end of January fighting broke out at Shanghai. The story of that affair has already been told in its broad outlines down to February 20 by the Consular Committee appointed by the League. The fighting was still in progress when the commission arrived at Tokyo on the 29th, and several discussions took place with members of the Japanese Government on the origin, motives and consequences of their armed intervention in this place. When we reached Shanghai, on March 14, the fighting was over, but the negotiations for an armistice were proving difficult. The arrival of the commission at this moment was opportune and may have helped to create a propitious atmosphere. We were able to appreciate the tense feeling which had been created by the recent hostilities and to obtain an immediate and vivid impression both of the difficulties and of the issues involved in this controversy. The commission was not instructed to continue the work of the Consular Committee or to make a special study of the recent events there. In fact, we were informed by the Secretary-General of the League of Nations that the Chinese Government had expressed themselves as opposed to any suggestion that the commission should delay its journey to Manchuria for the purpose of studying the situation at Shanghai.

We heard the views of both the Chinese and the Japanese Governments on the Shanghai affair, and were the recipients of a large amount of literature from both sides on the subject. We also visited the devastated area and heard statements from Japanese naval and military officers on the recent operations. In an individual capacity, too, we had conversations with the representatives of many shades of opinion on matters which were fresh in the memory of every one living in Shanghai. But we did not, as a commission, officially investigate the Shanghai affair and therefore express no opinion upon the disputed points connected with it. We shall, however, for purposes of record, complete the story of the operations from February 20 until the final withdrawal of the Japanese troops.

No Marked Success

The last report of the Consular Committee ended, it will be remembered by stating that the Japanese, on February 20, opened a new attack in the Kiangwan and Woosung areas. This attack brought no marked success to the Japanese troops, despite the fact that it was continued on the following days, but it enabled them to learn that parts of the so-called Chinese Bodyguard Army, viz., the 87th and 88th Divisions, were now fighting against them as well as the 19th Route Army. This fact, together with the difficulties which the nature of the country presented, decided the Japanese to re-enforce their troops by two more divisions, namely the 11th and 14th.

On February 28 the Japanese troops occupied the western part of Kiangwan, which had been evacuated by the Chinese. On the same day the Woosung fort and fortications along the Yangtze River were again bombed from the air and from the sea, and bombing planes operated over the whole front, including the airdrome at Hungjao and the Nanking Railway. General Shirakawa, who was appointed to the supreme command of the army, arrived in Shanghai on February 29. From this date onwards the Japanese Headquarters announced substantial progress. In the district of Kiangwan they advanced slowly and the naval headquarters stated that the opposing forces at Chapei showed signs of giving way as a consequence of the daily bombardments. On the same day the airdrome at Hangchow, which is 100 miles distant from Shanghai, was bombed from the air.

On March 1, as the frontal attack had advanced but slowly, the Japanese army commander intiated a wide enveloping, movement by landing the main force of the 11th Division at some distance on the right bank of the Yangtze River, in the vicinity of Tsiyakow, for the purpose of making a surprise attack on the left flank of the Chinese Army. The maneuver was successful in compelling an immediate retreat of the Chinese forces beyond the 20 kilometer limit originally asked for in the Japanese commander's ultimatum of February 20. Woosung fort had been evacuated by the Chinese troops when, on March 3, it was entered by the Japanese troops after many aerial and naval bombardments. On the previous day bombing operations had been extended as far as 7 kilometers east of Quinsan Station on the Shanghai-Nanking Railway, with the alleged object of preventing the transportation of re-enforcements to the Chinese front.

Fighting Is Stopped

On March 4 the Assembly of the League, recalling the suggestions of the Council. (1) called on both Governments to make the cessation of hostilities effective: (2) requested other interested Powers to inform the Assembly on the execution of the previous paragraph and (3) recommended negotiations, with the assistance of other Powers, for the conclusion of the arrangements in order to render definite the cessation of hostilities and to regulate the withdrawal of the Japanese troops, wishing to be informed by the Powers on the development of these negotiations.

Readiness to Negotiate

On March 9 the Japanese sent a memorandum to the Chinese through the intermediary of the British Minister, in which their readiness to negotiate on the basis of the points laid down by the Assembly was expressed.

On March 10 the Chinese replied through the same channel that they too were ready to negotiate on this basis, but on condition that the conference should be limited to matters pertaining to the definite cessation of hostilities and the complete and unconditional withdrawal of the Japanese troops. On March 13 the Japanese intimated that they were not disposed to regard the Chinese reservations as modifying the sense of the resolutions of the League of Nations or

SPECIAL SALE

FOR THREE WEEKS

STARTING FROM NOVEMBER 12, 1932.

WOOLEN UNDERWEAR
SHIRTS FOR WINTER SEASON
CALIFORNIA SPORTWEAR CO.'S LEATHER JACKETS
H. & L. BLOCK COATS
BLOCK-BILT SPORTWEAR FOR BOYS
A QUALITY DOWN QUILTS
A QUALITY DOWN PILLOWS

HIGH CLASS TAILOR

A.B.C. Underwear Weaving & Dyeing Mill, Ltd.

SALES OFFICE: 472 NANKING ROAD
TELEPHONE: 94431

in any way binding on themselves. They thought that both parties should meet on the basis of the resolutions.

On the afternoon of March 3 the Japanese Commander gave the order to stop fighting. The Chinese Commander issued a similar order on March 4. A strong complaint was made by the Chinese that the 14th Japanese Division was landed at Shanghai between the 7th and the 17th of March, after the cessation of hostilities, and about a month later was transported to Manchuria in order to re-enforce the Japanese troops there.

In the meantime attempts to secure a cessation of hostilities through the good offices of friendly Powers and of the League of Nations had been continued. On February 28 the British Admiral, Sir Howard Kelly, received on his flagship the delegates of both parties. An agreement on the basis of mutual and simultaneous withdrawal and of a temporary character was proposed. The conference was not successful, owing to the differing opinions of the two parties as to the basis of the negotiations.

On February 29 the President of the Council of the League of Nations made recommendations which contemplated, among other things, "a mixed conference in the presence of other interested Powers in view of the final conclusion of the fighting and for a definite cessation of hostilities, subject to local arrangements." Both parties accepted, but a successful outcome of the negotiations was rendered impossible by the conditions of the Japanese delegates, who demanded that: (1) the Chinese troops should first begin to withdraw and (2) the Japanese, having ascertained that the withdrawal was taking place, should then retire, not, as formerly stated, to the International Settlement and the extra-Settlement streets, but to an area extending from Shanghai to Woosung.

On March 24 the Sino-Japanese conference on the cessation of hostilities was opened. In the meantime the wtihdrawal of Japanese military and naval forces had actually begun. On March 20 naval and air contingents left Shanghai, reducing the remaining strength to "something not far above normal." The Japanese Headquarters announced on March 27, on the occasion of further withdrawal, that this had nothing to do with the above-mentioned conference or with the League of Nations, but was simply the outcome of the independent decision of the Headquarters of the Imperial Japanese Army to recall units no longer required at Shanghai.

On March 30 the conference announced that on the preceding day an agreement relative to a definite cessation of hostilities had been reached, but further difficulties supervened, and it was not until May 5 that a complete armistice agreement was ready for signature. It provided for a definite cessation of hostilities, fixed a line to the west of Shanghai as a temporary limit for the advance of Chinese troops, pending further arrangements upon the re-establishment of normal conditions and provided for the withdrawal of the Japanese troops to the International Settlement and the extra-Settlement streets as previous to January 28. Certain areas outside the Settlement had to be temporarily included, because the number of Japanese troops was too large to be quartered within the Settlement alone, but those do not require to be mentioned as they have since been evacuated. A joint Commission, in which the assistant friendly Powers, the United States of America, Great Britain, France and Italy and the two parties were represented, was established to certify the mutual withdrawal. This commission was also to collaborate in arranging for the transfer from the Japanese forces to the Chinese police.

Qualifications Added

The Chinese added two qualifications to the agreement. The first declared that nothing in the agreement was to imply permanent restriction of the movement of Chinese troops in Chinese territory, and the second that it was to be understood that even in areas temporarily provided for the stationing of the Japanese troops all municipal functions, including that of policing, would remain with the Chinese authorities.

The terms of this agreement as a whole have in the main since been carried out. The evacuated areas were turned over to the Chinese Special Police Force between May 9 and 30. The turning over, however, of these four areas has been somewhat delayed. It was but natural that when the Chinese owners of houses and factories officials of railways and companies, and others began to re-enter the evacuated areas, numerous complaints concerning looting, willful destruction and carrying away of property should have been addressed to the Japanese military authorities. In the opinion of the Chinese, the whole question of reparations remains for further negotiations. They estimate the casualties in killed and wounded and missing as 24,200 officers, men and civilians, and the total material loss at approximately 1,500,000,000 Mexican dollars. A draft agreement dealing with the extra-Settlement road areas has been initialed by representatives of the Shanghai Municipal Council and of the Chinese Municipality of Greater Shanghai. But it has not yet received the approval of either the Municipal Council or of the city Government. The Municipal Council has referred it to the Senior Consul for the observations of the Consular Body.

The Shanghai affair undoubtedly exercised considerable influence upon the situation in Manchuria. The ease with which the Japanese had been able to occupy the greater part of Manchuria and the absence of any resistance by the Chinese troops not only led to a belief in Japanese naval and military circles that the fighting quality of the Chinese army was negligible but caused profound depression throughout China. The stout resistance put up from the first by the Chinese 19th Route Army, with the assistance later of the 87th and 88th Guard Divisions, was hailed throughout China with the greatest enthusiasm, and the fact that the original 3,000 marines had to be supplemented by three divisions and a mixed brigade of the Japanese Army before the Chinese forces were finally dislodged and driven back after six weeks of fighting created a profound impression upon the Chinese morale. The feeling prevailed that China must be saved by her own efforts. The Sino-Japanese conflict was brought home to the people throughout China. Everywhere opinion hardened and the spirit of resistance increased. Former pessimism gave place to equally exaggerated optimism. In Manchuria the news from Shanghai put fresh heart into the scattered forces still opposing the Japanese troops. It encouraged the subsequent resistance of General Ma Chan-shan and stimulated the patriotism of the Chinese all over the world. The resistance of the Volunteer Armies increased. Expeditions to suppress them met with indifferent success, and in some areas the Japanese stood on the defensive, taking up positions along certain railway lines which were frequently attacked.

Industry Board Opened

The hostilities at Shanghai were followed by several other incidents, one of which was the short bombardment of Nanking. This incident created much excitement and alarm, even outside China. It

happened on the late evening of February 1, but did not last for more than one hour. The incident was probably caused by a misunderstanding, but had the important consequence of a temporary removal of the Chinese Government from Nanking to Loyang.

Chinese and Japanese versions both of the origin and of the facts are widely divergent. Two justifications were given to us from Japanese sources. The first was that since the outbreak of hostilities at Shanghai the Chinese had extended the Lion Hill Forts, constructed trenches and established artillery positions at the gates near the river and on the opposite side of it, thus making military preparations on a scale sufficient to arouse concern among the Japanese, who had warships stationed on the river. The second was that the vernacular press had spread untruthful stories of Chinese victories at Shanghai, which had caused great excitement among the Chinese population of Nanking. In consequence, Chinese employed by Japanese were, it is alleged, forced by threats to give up their situations, and Chinese merchants refused to sell even the necessary food supplies to Japanese residents, including the Consular staff and the crews of warships.

The Chinese did not comment on these complaints. They assert that the general uneasiness and tense atmosphere prevailing were caused by the fact that the Japanese, after the Shanghai outbreak, increased the number of their warships from two to five, and subsequently to seven (the Japanese authorities give the number as six, these being three old gunboats and three destroyers); that the commander of the warships landed a certain number of sailors and put them on guard duty before the wharf of the Nisshin Kisen Kaisha, where the Japanese Consular Staff and all the Japanese residents had taken refuge on a hulk. With the events of Shanghai fresh in their memories, such measures may well have filled the minds of the already excited population at Nanking with fears of a similar experience.

Landing Is Resented

We know from a report of the Police Commissioner of Nanking to the Ministry of Foreign Affairs that the authorities at Nanking who were solely responsible for the protection of their own subjects and of foreign nationals at that place greatly resented the landing of Japanese naval forces. They addressed representations to the Japanese Vice-Consul, who replied that he was unable to do anything in the matter. At the same time, special instructions were given to the local police station at Hsiakwan, where the warships were anchored and the above-mentioned wharf was situated, to prevent, if possible, any contact between Chinese and Japanese in this area, especially at night time. According to the Japanese official reports, their refugees were taken on board a steamer of the same Nisshin Kisen Kaisha during the days following January 29, and a considerable number were transported to Shanghai. On the late eveninig of February 1 the Japanese assert that three gunshots were suddenly fired apparently from the Lion Hill Forts. At the same time Chinese regulars fired on the Japanese naval guards on the river banks, causing two casualties, of which one was fatal. The fire was returned, but directed only at the immediate neighborhood of their landing place and stopped as soon as the firing from the shore had ceased. Such is the Japanese version. The Chinese, on the other hand, stoutly deny that any firing at all took place, but allege that eight shells in all were fired at the forts, at Hsiakwan station and at other places, accompanied by machine-gun and rifle firing, and that during this time searchlights were directed at the shore. This caused considerable panic among the inhabitants, who rushed into the interior of the city; but no casualties were reported and the material damage was not great.

It is also possible that the incident was first started by the firing of crackers by the excited Chinese population, celebrating a supposed victory at Shanghai.

*
**

CHAPTER VI—"MANCHUKUO"

Part I

1. Stages in the Formation of the "New State."

As a result of the events of September 18, 1931, as described in the last Chapter, the civil administration of Mukden city and of the Province of Liaoning (Fengtien) was completely disorganized and even that of the other two provinces was affected to a lesser extent. The suddenness of the attack on Mukden, which was not only the political center of all Manchuria but, next to Dairen, the most important commercial center of South Manchuria, created a panic among the Chinese population. Most of the prominent officials, and the leading members of the educational and commercial communities, who could afford to do so, left immediately with their families. During the days following the 19th of September over 100,000 Chinese residents left Mukden by the Peiping-Mukden Railway, and many who could not get away went into hiding. The police, and even the prison warders, disappeared. The municipal, district and provincial administrations at Mukden completely broke down, the public utility companies for the supply of electric light, water, etc., the buses and tramways, and the telephone and telegraph services ceased to function. Banks and shops kept their doors closed.

The immediate necessity was the organization of a municipal government and the restoration of the ordinary civic life of the city. This was undertaken by the Japanese and carried through quickly and efficiently. Colonel Dohihara was installed as Mayor of Mukden and within three days normal civil administration was restored. Several hundred police and most of the prison warders were brought back with the help of General Tsang Shih-yi, the Civil Governor of the Province, and the public utility services were restored. An Emergency Committee with a majority of Japanese members helped Colonel Doihara, who held his post for one month. On October 20 the reins of municipal government were restored to a qualified Chinese body, with Dr. Chao Hsin-po (a lawyer who had studied for 11 years in Japan and was a Doctor of Law of Tokyo University) as Mayor.

Provincial Regime Reorganized

The next problem was to reorganize the provincial administration in each of the Three Provinces. This task was more difficult in Liaoning than in either of the other two, because Mukden was the center of this provincial administration; most of the influential men had fled, and for a time a Chinese provincial administration continued to be carried on at Chinchow. It was three months, therefore, before the reorganization was completely accomplished. Lieutenant General Tsang Shih-yi, the existing President of the Liaoning Provincial Government, was first approached on September 20 and invited to organize a Provincial Government, independent of the Chinese Central Government. This he refused to do. He was then put under arrest and released on December 15.

After General Tsang Shih-yi had refused to help in the establishment of an independent Government, another influential Chinese official, Mr. Yuan Chin-kai, was approached. He was a former provincial governor and a Vice-President of the Northeastern Political Committee. The Japanese military authorities invited him and eight other Chinese residents to form a "Committee for the maintenance of Peace and Order." This committee was declared to have been formed on September 24. The Japanese press at once acclaimed it as the first step in a separatist movement, but Mr. Yuan Chin-kai publicly disclaimed any such intention on October 5. The committee, he said, had "been brought into being to preserve peace and order after the breakdown of the former administration. It assisted, moreover, in relieving refugees, in restoring the money market, and it attended to some other matters, solely for the sake of preventing unnecessary hardship. It had, however, no intention of organizing a Provincial Government or declaring independence.

On October 19 the committee opened the Board of Finance, and Japanese advisers were appointed to assist the Chinese functionaries. The Director of the Board of Finance had to obtain the approval of the military authorities before giving effect to the board's decisions. In the districts the tax collectors' offices were controlled by the Japanese gendarmerie or other agencies. In some cases they had to submit their books daily for inspection to the gendarmerie, whose approval had to be obtained for the disbursement of any moneys on public objects such as police, justice, education, etc. Any case of remittance of taxes to the "hostile party" at Chinchow was to be at once reported to the Japanese authorities. At the same time a Financial Readjustment Committee was organized, the chief business of which was to reorganize the taxation system. Japanese representatives and the representatives of Chinese guilds were allowed to take part in discussions on taxation. According to a statement in the History of the Independence of Manchukuo, dated May 30, 1932, and submitted to the commission by the "Department of Foreign Affairs" at Changchun, these discussions led to the abolition on November 16, 1931, of six taxes, the transfer of eight others to local governments and the prohibition of all levies, without a legal basis.

Industry Board Opened

On October 21 the Board of Industry was opened by the committee, whose name was now changed to that of "Liaoning Province Self-Government" Office. The consent of the Japanese military authorities was sought and obtained and a number of Japanese advisers were appointed. Before issuing any orders the Director was required to obtain the approval of the Japanese military authorities.

Lastly, the Liaoning Self-Government Office organized a new Northeastern Communications Committee, which gradually assumed control of various railways not only in Liaoning Province but also in Kirin and Heilungkiang. This committee was separated from the Liaoning Self-Government Office on November 1.

On November 7 the Liaoning Province Self-Government Office transformed itself into the Liaoning Provincial Government *ad interim*, which issued a declaration by which it severed its relations with the former Northeastern Government and with the Central Government at Nanknig. It requested the local governments in Liaoning to abide by the decrees it had issued, and announced that henceforth it would exercise the authority of a Provincial Government. On November 10 a public opening ceremony took place.

Simultaneously with the transformation of the Self-Government Office into the Liaoning Provincial Government *ad interim*, a Supreme Advisory Board was inaugurated under the Chairmanship of Mr. Yu Chung-han, who had been Vice-Director of the Peace and Order Maintenance Committee. Mr. Yu announced the objects of this Board as: the maintenance of order, the improvement of administration by the suppression of bad taxes, the reduction of taxation and the improvement of the organization of production and sale. The board was, furthermore, to direct and supervise the acting Provincial Government and to foster the development of local self-government in accordance with the traditions of local communities and with modern needs. It comprised sections dealing with General Affairs, Investigation, Protocol, Guidance, Supervision and an Institute for Training in Self-Government. Nearly all the important functionaries were Japanese.

On November 20 the name of the Province was changed to that of Fengtien, which had been its name before its union with Nationalist China in 1928, and on December 15 Mr. Yuan Chin-kai was replaced by General Tsang Shih-yi, who was released from his confinement and installed as Governor of Fengtien Province.

Kirin Task Easier

The task of establishing a Provincial Government in the Province of Kirin was far easier. On the 23rd the commander of the 2nd Division, Major-General Tamon, had an interview with Lieutenant-General Hsi Hsia, the acting head of the provincial administration in the absence of General Chang Tso-hsiang, and invited him to assume the chairmanship of the Provincial Government. After this interview General Hsi Hsia summoned the various government organizations and public associations to a meeting on September 25 which was also attended by Japanese military officers. No opposition was expressed to the idea of establishing a new provisional government, and a proclamation to that effect was published on September 30. The Organic Law of the New Provincial Government of Kirin was subsequently announced. The committee system of government was abolished, and Governor Hsi Hsia took full responsibility for the conduct of government. Some days later the principal officials of the new Government were appointed by him and some Japanese functionaires were added later. The chief of the Bureau of General Affairs was a Japanese. In the districts also some administrative reorgnization and change of personnel took place. Out of 43 districts 15 were reorganized, which involved the dismissal of the Chinese District Officers. In 10 others the District Officers were retained after declaring their allegiance to General Hsi Hsia. The others still remained under Chinese military leaders loyal to the old regime, or kept aloof from the contending factions.

The Chief Administrator of the Special District, Lieutenant-General Chang Ching-hui, was friendly to the Japanese. He had no military force behind him, whereas the old regime could still dispose of considerable forces both in Kirin and Heilungkiang, as well as the railway guards in the Special District itself. On September 27 he summoned a conference in his office at Harbin to discuss the organization of the Emergency Committee of the Special District. This committee was formed with General Chang as Chairman and eight other members, among whom were General Wang Jui-hwa and General Ting Chao, who later, in January, 1932, became the leader of the "anti-Kirin" forces in opposition to General Hsi Hsia. On November 5 the anti-Kirin army under the command of the Generals of Chang Tso-hsiang, established a new Kirin Provincial Government at Harbin. After General Chang Ching-hui had been appointed, on January 1, 1932, Governor of Heilungkiang, he declared in that capacity the independence of the Province on January 7. On January 29 General

Ting Chao took possession of the office of the Chief Administrator and placed General Chang under restraint in his own house. The latter regained his liberty when the Japanese forces came north and occupied Harbin on February 5 after defeating General Ting Chao. From that time onwards the Japanese influence made itself increasingly felt in the Special District.

Complications in Heilungkiang

In Heilungkiang Province a more complicated situation had arisen owing to the conflict between General Chan Hai-peng and General Ma Chan-shan, which was described in the last chapter. After the occupation of Tsitsihar by the Japanese on November 19, a Self-Government Association of the usual type was established, and this Association, which was said to represent the will of the people, invited General Chang Ching-hui of the Special District, to act concurrently as Governor of Heilungkiang. As the situation around Harbin was still unsettled, and no definite agreement with General Ma had been reached, this invitation was not accepted until early in January, 1932. then General Ma's attitude was ambiguous for some time. He co-operated with General Ting Chao until the latter's defeat in February, and then came to terms with the Japanese, accepting the Governorship of Heilungkiang out of General Chang's hands, and subsequently co-operated with the other Governors in the establishment of the new "State." A Self-Government Guiding Committee was established at Tsitsihar on January 25 and the same form of Provincial Government as in the other Provinces was gradually established.

The Province of Jehol has hitherto kept aloof from the political changes which have taken place in Manchuria. Jehol is part of Inner Mongolia. Over 3,000,000 Chinese settlers now live in the Province and they are gradually pushing out to the north the nomadic Mongols, who still live under their traditional tribal or Banner system. These Mongols, who are said to number about one million, have maintained some relations with the Mongol Banners settled in the west of Fengtien Province. The Mongols in Fengtien and Jehol have formed "Leagues," the most influential of which is the Cherim League. The Cherim League joined the independence movement, as did also the Mongols in the Barga District, or Hulunbuir, in the west of Heilungkiang who have often attempted to free themselves from Chinese rule. The Mongols do not easily assimilate with the Chinese. They are a proud race, and every Mongol remembers the exploits of Genghis Khan and the conquest of China by Mongol warriors. They resent Chinese overlordship and they resent particularly the immigration of Chinese settlers, by which they are being gradually extruded from their territory. The Leagues of Chaota and Chosatu in Jehol are keeping in touch with the Banners in Fengtien, which are now ruled by committees. General Tang Yu-lin, the Governor of the Province, is reported to have assumed full responsibility for his Province on September 29, and to have kept in touch with his colleagues in Manchuria. At the inauguration of "Manchukuo" on March 9, Jehol was included in the new "State." In fact, however, no decisive step was taken by the Government of the Province. The latest events in this Province were referred to at the end of the last chapter.

'Independent State' Created

The local self-governing administrations thus established in all the Provinces were subsequently combined into a separate and independent "State." To understand the ease with which this war accomplished and the amount of evidence which it has been possible to bring forward of Chinese support for it when it was accomplished, it is necessary to consider a peculiar feature of Chinese organized life which in some circumstances is a strength and in others a weakness. As has been already stated in Chapter I, the community obligations recognized by the Chinese are rather to the family, to a locality, or to persons, than to the State. Patriotism as it is understood in the West is only beginning to be felt. Guilds, associations, leagues, armies, are all accustomed to follow certain individual leaders. If, therefore, the support of a particular leader can be secured by persuasion or coercion, the support of his adherents over the whole area of his influence follows as a matter of course. The foregoing narrative of events shows how successfully this Chinese characteristic was utilized in the organziation of the Provincial Governments, and the agency of the same few individuals was used to complete the final stage.

The chief agency in bringing about independence was the Self-Government Guiding Board, which had its central office in Mukden. By reliable witnesses it was stated to the commission to have been organized and in large part officered by Japanese, although its chief was a Chinese, and to have functioned as an organ of the Fourth Department of the Kwantung Army Headquarters. Its main purpose was to foster the independence movement. Under the direction and supervision of this Central Board, local Self-Government Executive Committees were formed in the districts of Fengtien Province. To those various districts, as occasion demanded, the Central Board sent out members from its large and experienced staff of inspectors, directors and lecturers, many of whom were Japanese. It utilized also a newspaper, which it edited and published.

(To be Continued)

In the United States Court for China

In. re. Estate of BERTHA CATHERINE BIXBY, Deceased	Cause No. 3482 Special Proceedings No. 802 NOTICE

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of Bertha Catherine Bixby, deceased, to present the same with vouchers to the undersigned on or before May 12, 1933, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Shanghai, China.
November 9, 1932.

HELEN F. DEARBORN
47-A Great Western Road,
Shanghai.

In the United States Court for China

WILLIAM A. PARCELL, Plaintiff, vs. MARY CULLEN PARCELL Defendant.	Cause No. 3492 Civil No. 1566 ORDER Filed at Shanghai, China November 9th, 1932. JAMES M. HOWES Clerk

The object of this suit is an action for divorce.

WHEREAS, plaintiff herein, by his attorneys, has this 9th day of November, 1932, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 9th day of November, 1932, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 9th day of November, 1932, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since three years, and that defendant's last known address was 5 Ellwood Avenue, Charleston, Mass.

NOW, THEREFORE, it is this 9th day of November, 1932, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, Shanghai, China, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 26th day of November, 1932, the day of last publication of this Order: otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 9th day of November, 1932.

MILTON D. PURDY
Judge.

In the United States Court for China

ALFRED NELSON, Plaintiff, vs. LILLIAN NELSON, Defendant.	Cause No. 3486 Civil No. 1562 ORDER Filed at Shanghai, China November 4th, 1932. JAMES M. HOWES Clerk

The object of this suit is an application for divorce.

WHEREAS, plaintiff herein, by his attorneys, has this 3rd day of November, 1932, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 4th day of November, 1932, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 3rd day of November, 1932, the plaintiff herein filed an affidavit to the effect that the defendant does not reside in China, and that defendant's last known address was 60 Granite Street, Gloucester, Mass., U.S.A.

NOW, THEREFORE, it is this 4th day of November, 1932, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review" a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 26th day of November, 1932, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 4th day of November, 1932.

MILTON D. PURDY
Judge.

Men and Events

Don King, local newspaperman, has been appointed secretary of the American Chamber of Commerce at Shanghai.

P. S. Hopkins, president of the Shanghai Power Company, hos been elected vice-president of the American Chamber of Commerce.

O. J. Todd, engineer with the China International Famine Relief Commission of Peiping, is visiting in Shanghai, staying at the Metropole Hotel.

Milton D. Purdy, Judge of the U. S. Court for China, celebrated his 66th birthday November 3, when he was the recipient of congratulations from his many friends.

A trans-Pacific freight tariff war is thereatened by the withdrawal of the Canadian Pacific Steamship Company from the Conference, an event which went into effect Nov. 9.

James A. Mills, special traveling correspondent for the *Associated Press*, arrived in Shanghai this week from Japan. Mr. Mills has been in Manchuria for several months.

F. J. Raven of the American-Oriental Bank has resigned from the board of the Shanghai American School, his place being taken by John S. Potter of the Asia Realty Company.

Trebitsch Lincoln, also known as Chao Kung, was arrested at Cologne, Germany, Nov. 4, because of a complaint lodged against him by a Dutch hotel-keeper who states that Lincoln owes him £250.

Dr. Thomas T. M. Chen, who received medical degrees in America and England, has opened an office for the practice of internal medicine in the Shanghai Woman's Bank building, 392 Nanking Road, Shanghai.

The University of California Club of Shanghai will hold its annual reunion dinner this year at the Columbia Country Club on Saturday evening, November 19 at eight o'clock. All other California college men are invited.

General Chang Ching-hai, War Minister of the Manchukuo Government, arrived in Japan recently for the purpose of attending the military maneuvers which will be carried out in the Kansai district beginning November 15.

Yen Jen-hwang, who has appointed by Dr. Chu Chia-hua, the new Minister of Communications, as Director of the Telegraph Department, has been made concurrently Director of the International Communications Bureau of the Ministry.

Liu Chang-chung, one of China's best sprinters and her sole representative at the Olympic Games at Los Angeles last August, is to be appointed to the staff of the Peking Municipal Government, according to a recent telegram from Peiping.

In a mandate issued from Loyang Nov. 1 the National Government appointed Dr. Hawkling Yen as Chinese charge d'affaires in Washington and plenipotentiary delegate to exchange ratifications of the Sino-American arbitration treaty.

The Soviet Government last week bought the 6,500-ton steamer of the North-German Lloyd *Anhalt*, which is intended for service in Far-Eastern waters. It is learned that negotiations are going on for the sale of other German ships to the Soviets.

H. W. Frick, assistant manager of the Chase Bank, has been appointed a member of the committee of the American Chamber of Commerce in place of A. E. Schumacher, manager of the Chase Bank, who has gone to the United States on home leave.

Howard Wong, a Chinese student aviator, crashed and wrecked a $10,000 Curtis aeroplane while landing on Roosevelt field outside New York, Nov. 6. Mr. Wong failed to gauge his distance properly and the plane overturned on landing. He was not injured,

Vice-Admiral Osami Nagano, Japan's chief naval delegate to the Disarmament Conference at Geneva, accompanied by Rear-Admiral Hasegawa and Commanders Oka and Ishiguro, departed from Tokyo November 4 for Europe, travelling via Siberia.

The appointment of Li Lang-ju as managing-director of the Canton-Kowloon Railway was officially announced by the Ministry of Railways Nov. 4. Mr. Li has for some time been in charge of the Railway on behalf of the Kwangtung Provincial Department of Reconstruction.

The U.S. War Department has ordered the American transport coaling station at Nagasaki to be closed because most of the transports now burn oil. Captain Truman Martin, in charge at Nagasaki, has been ordered to Tokyo as Assistant Military Attache at the American Embassy.

R. Stanley Dollar, head of the Dollar Steamship Line, in a recent interview at San Francisco stated that business conditions in the United States are on the upturn. The American nation, he said, had fought depression to a standstill.

The Third Annual General Worker's Conference of the Church of Christ in China was held in Ningpo from Nov. 4 to 11. About 80 delegates from thirteen provinces including Hainan in the far south, Manchuria to the northeast and Szechuen in the far west, were present.

Chow Hsien-chiao, presiding judge of the First Special District Court of the International Settlement in Shanghai, has vacated his office and Kuo Yun-kuan has been appointed to take his place, it was announced in a telegram from Nanking at the beginning of the week.

The funeral of Charles (Karl) Ernst Emil Meyer took place in the Hungjao Road Cemetery, Shanghai, November 3, the Rev. Ewald W. Krueger of the German Lutheran Church officiating. Deceased was the father of A. L. Meyer, managing editor of the *Shanghai Evening Post*.

The Military Training Committee when it met at Peiping Nov. 3 decided to take steps to forbid the selling of uniforms by the soldiers stationed in Peiping. It is said that this has been going on for some time on a considerable scale with the result that many abuses have been reported.

The Chief Inspectorate of Salt Revenue has been removed to Nanking from Shanghai. The offices are situated in the new Customs Administration building in the Capital. A special office is nevertheless being maintained in Shanghai for convenience in the handling of various matters.

Government employees are not allowed to play mahjong or indulge in other forms of gambling, either in public places or their homes according to a mandate issued by the South-west Political Council at Canton Nov. 4. If violators are women, their husbands are to be held responsible and given punishment as well.

The corner stone of the new Shanghai North Station at Chenju was announced to be laid on January 1, 1933, but the British bondholders have entered an objection to the diversion of money for this purpose in view of the fact that large sums are outstanding. Chinese owners of land are also raising objections. The new station is to cost $10,000,000,

The State Steamship Company, flying the American flag, recently announced the purchase of three combination freight and passenger ships, the *Cartago, Parisima and Heredia*, from the United Fruit Company for carrying refrigerated cargo between the Pacific Coast of the United States and the Orient. The service will start December 28.

Miss Thea Meyer, daughter of Vilhelm Meyer, head of Andersen, Meyer & Co., Ltd., of Shanghai, was married to Count Caj Ahlefeldt-Laurvig, son of the Danish Minister in London, at Copenhagen, Nov. 2. The wedding took place in the Guards' Chapel and was attended by many distinguished people, while at the reception held afterwards the Crown Prince of Denmark and other Danish royalties were present.

A thrilling account of the aid giving by the Dollar liner *President Madison* to the States steamer *Nevada* which ran aground on Amalignak Island September 27 is contained in a report issued by the third officer of the *Madison*, copy of which has been given to *The Review*. The *Oregon Maru*, a Japanese ship, was the first to send out the S. O. S. call, but in the first instance it was wrong in the identity of the vessel.

The Swiss Federal Council has elevated M. Etienne Lardy, Consul-General at Shanghai, to the rank of Charge d'Affaires, giving Switzerland diplomatic representation in China for the first time in the history of the relations between the two countries. The Swiss colony in China numbers upwards of 400, the last official figures giving 354 for 1930, most of them being merchants. The business interests are complemented by missions, the Protestant Mission of Basle maintaining a number of mission stations in various parts of China.

Who's Who in China

Liu Hai-sou, artist, hailed by the famous French literati, M. Louis Laloy, as the "Great Master of the Renaissance of Chinese Art" for his excellent and creative produtions; born at Changchow, Kiangsu, 1895; during his boyhood, he already showed signs of artistic ability which laid the foundations of his present illustrous artistic career; following his graduation from a primary school at Changchow at age of 13, he came to Shanghai and attended a middle school; at age of 16, his artistic bent inclinded him to devote himself to the study and research in painting and he established the Shanghai Academy of Fine Arts, being the first institution of its kind ever established in China; in 1913, he gave his maiden exposition of his productions at Shanghai which drew many unfavorable comments from the public, but aroused much attention; in 1916, the Academy of Fine Arts (now known as Shanghai College of Fine Arts,) held an exposition at which his nude paintings were first exhibited, which aroused considerable adverse criticisms and one crtitic stigmatised him as the "Rebel of Arts;" in 1917, he visited Japan to attend the First Exposition of Japanese Imperial Fine Arts Museum and remained there for several years to study arts under a famous Japanese art-master; in 1920, he was invited to Peking by the Peking Government University and Peking High Normal School to give a series of lectures on modern arts and at the same time to hold an exposition of his own works, which won him much admiration; in 1926, when Gen. Sun Chuan-fang was in command of the five Southeastern Provinces, his nude paintings aroused the ire of the conservative militarist who issued a stern injunction to the Academy of Fine Arts to cease using human "models" for paintings; his protest to the General proved of no avail and because of his non-compliance with the order, he was secretly ordered to be arrested; in 1927, he paid his secoud visit to Japan, during which he held an exhibition of his paintings which were highly commended by the Japanese artists and several of his exhibits were purchased by the Japanese Royal Family; in 1929, he was commissioned by the Ministry of Education of the Nationalist Government to study the art education in Europe and at the same time to conduct further research into the European arts; in this capacity, he visited the arts academies and galleries in France, Italy, Germany, Belgium and Switzerland; his works were qualified at the Salon d'Automne and in 1930-31, were again qualified at the gallery of Le Salon des Tuileries; his representative productions "Snow of Luxemburg" and "Gem of First Water" were purchased by the French Government and are now exhibited at Musee Du Jeu de Paume; in March, 1931, the Frankfurt University Institute of Chinese Studies in Germany invited him to give a series of lectures on Chinese painting and give an exposition of his productions; upon his return to China in September, 1931, he submitted a comprehensive report to the Ministry of Education in which he offered valuable suggestions for the improvement of Chinese arts; in the Autumn of 1932, under the auspicies of the City Government of Greater Shanghai Municipality, a grand exposition of his representive pieces of works executed at different times of his long career was held at the Ying Shih Memorial Hall, 7 Kweichow Road and received warm praise from all visitors to the Exhibition; Mayor Wu Te-chen of Greater Shanghai in his preface to the Exposition extolled him as an "uncompromising revolutionist in art;" besides being a painter, he is also an art critic and writer; author of the following works on painting: "New Impressions of Modern Arts in Japan," "How to Learn Painting," "Hai-Sou's Painting" and "Hai-Sou's New Compositions," "Six Principles on Chinese Painting" which has been trans. lated into French by Prof. Louis Laloy of the University of Paris; "Hai-Sou's Series (in six volumes)" and "The World's Famous Compositions of Painting (in five volumes);' address: B. 496 Route Lafayette, Shanghai.

劉 海 粟

Liu Hai-sou

劉海粟，江蘇武進人，年三十七歲，少穎慧，束髮能畫，十三歲畢業於龍城書院，十六歲創立上海美術學院，發願一面盡力發揚中國藝術史固有之寶藏，一面盡量吸收外來之新藝術，民國二年劉氏在滬開作品第一次展覽會，觀者見之斥爲狂妄，但頗引人注意，民國四年夏美術學校舉行展覽會，陳劉氏人體油畫，羣衆見之，驚詫疑異，某觀者斥劉氏爲藝術叛徒，八年九月劉氏赴日本參與帝國美術院第一屆展覽會，與彼邦畫家石井柏亭，藤島武二交，十一年一月赴北京應北京大學及北京高等師範學校聘請講演『近代藝術』同時在高等師範學校舉行個人展覽會，十五年五月前東南五省司令孫傳芳嚴令禁美術學校人體模特兒，劉氏爲學術尊嚴計，再四抗爭，而孫不察，目爲大逆，甚至密令通緝。十七年國民政府大學院派劉氏赴歐洲各國考察美術，遍歷歐洲各國，縱覽法意德比瑞士諸邦之名蹟，遍觀希臘羅馬文藝復興以還之傑作，一九二九年一九三〇年，兩次入選法國秋季沙龍。一九三一年先後被特約出品於蒂勒黎沙龍，一九三一年三月應德國弗蘭克府大學中國學院之邀演講中國畫并舉行劉氏國畫展覽會。是年六月，劉氏旅歐作品展覽會，開幕於巴黎克萊蒙畫堂；法蘭西學院委員裴那主其事，法文豪巴黎大學教授賴魯阿氏親爲作序，尊爲「中國文藝復興之大師」。其傑構「盧森堡之雪」并爲法政府購藏於「亦特巴姆」國家美術館。一九三一年九月劉氏自歐歸國，將其歷年在歐考察所及，研究所得，繕具報告書致教育部，建議復興中國藝術運動之要點若干，同時并積極倡議全國遍設美館，以資提高民衆之趣味。一九三二年秋，上海市政府特爲辦理劉氏歐遊作品展覽於上海貴州路陳英士紀念堂，每日參觀者數萬人，爲中國藝壇上之一大盛舉。劉氏藝術著作頗富，其較著者爲日本新美術新印象，畫學眞詮，海粟之畫，海粟近作，中國繪畫上的六法論「法國巴黎大學教授拉洛阿譯爲法文行世」，海粟叢刊六巨册，世界名畫集五册，

American Association in Tientsin Amalgamates with Chamber of Commerce

The American Association in Tientsin held its last meeting Oct. 31, when it was voted that the American Association should dissolve, the cash on hand should be handed over to the Chamber of Commerce, and the members of the Association, being eligible to the American Chamber of Commerce, should be admitted to it without paying an initiation fee nor dues for the remainder of the current year. The reason given for the dissolution is that the activities of the two bodies overlapped.

Japanese Youths Overdo Athletic Training

A recent message from Tokyo stated that the Japanese Government believes it is necessary to take measures to protect aspiring young Japanese athletes from the results of the intense enthusiasm for swimming and track and field sports aroused by the successes of Nippon's champions in the Los Angeles Olympic Games. The Ministry of Education has included in the 1933-34 budget funds for a sports clinic in Tokyo to conduct research and fix standards of fitness for schoolboys apt to overstrain hearts and sinews in striving to emulate the victors at Los Angeles.

New Books of Interest in the Far East

The Far Eastern Crisis—A World Concern

The New Crisis in the Far East, by Stanley High, Published by Fleming H. Revell Company, New York $1.00 (U. S.)

Since the march of Japanese troops into Mukden Sept. 18, 1931, Far Eastern Affairs have been engaging the serious attention of the world and as a result, many books have appeared in print. While some of the books are distinctly propaganda or published with ulterior motives. such as George Sokolsky's "Tinder Box of Asia," a number of others have been written with an honest purpose and in an effort to interpret the significance of the situation and to make some wholesome suggestions for its settlement. To the latter category belongs the latest book from the pen of Stanley High, "The New Crisis in the Far East," subject of this review.

Mr. High is well-qualified to write competently and intelligently on the Far East. By extensive research and wide travel, he has acquired an intimate acquaintance with the Far Eastern conditions. His previous sojourn in China was particularly valuable, as that had enabled him to gain a first-hand knowledge of China and the Chinese from personal observation and association. His first book, "China's Place in the Sun" has proved popular and therefore, readers will not be disappointed in his present volume. In "The New Crisis in the Far East," Mr. High displays keen knowledge and intelligence of the events in Manchuria, their fundamental causes and their world-wide significance. One rare quality with Mr. High is that he is dispassionate and well-balanced in his discussion and possesses a sympathetic understanding of all the parties involved, China, Japan and Soviet Russia. Uuinfluenced by sentimental reasons or ulterior motives, he faces facts and draws from them convincing conclusions. Being a Christain pacifist, he condemns war not merely on behalf of the belligerent parties, but in the interest of the welfare of the world. In his view, which must be shared by all the intelligent observers of the world, in the present Manchurian embroglio, not only are China, Japan and Russia intimately involved, but the whole world is deeply concerned. With an unerring eye, he perceives in the alarming developments in the Far East as a result of the Japanese military aggression, a new and more dangerous crisis in the world—a stimulus to war. To quote his words, "The success of Japan's military procedure has provided an excellent stimulus to the spokesmen for militarism everywhere and brought into question a generation of progress toward peace in Asia and fifteen years of effort to establish a peace-keeping machinery for the World."

As a departure from the "average run" of books on the Far East, the author does not burden the reader with a heavy load of long repetition of ancient histories of China and Japan at the beginning, but starts rather abruptly with a chapter under the amusing heading "The Price of Hogs." Such a beginning should occasion no surprise, since the book was primarily written from the American point of view and is intended for the American public desiring more than a newspaper acquaintance of the essential factors of the Far Eastern Crisis. He pointedly informs the American public that the days where the old philosophy "what's that got to do with the price of my hogs" worked, are definitely gone. As the inter-dependence of the nations of the world increases, a situation has arisen wherein anybody's business must necessarily become everybody's business and no nation can afford to ignore what is happening in other nations without affecting its own interest. He rightly criticises the American traditional policy of "Keep-Off" and Isolationism and aptly compares the different nations of the world as a collection of very compact apartments in a moderate-sized apartment house where what apparently is nobody's business is everybody's business. He endorses the view of President Hoover, when the latter is quoted as saying "the major forces of the depression (economic) now lie outside United States." Undoubtedly, this statement contains truth. Disturbing conditions in many parts of the world and, in Far East as a result of the flaring-up of Japanese militarism have been seriously affecting the American markets and contributing towards the intensification of the present economic depression. Besides the economic situation, there are other more important reasons for which America should take interest in the Far East. The author says "We were interested, not so much because it was a good fight as because before it was over, it might be our fight.—Anybody's war, we knew, was likely to become our war and nobody's peace was safe while anybody's peace was disturbed." In the present world, the author is of the opinion that the policy of indifference and isolationsim is both impossible and dangerous.

Dwelling on the war-scares, the author deplores the present war-mindedness among the nations and the nonchalant manner in which the people accept the inevitability of another world war. He expresses the fear that Japan's armed successes in Manchuria may inflame the revival of Jingoism in all countries which would make the world relapse into the state prior to that of last world war. In view of the high possibility, almost inevitability, of a war between Japan and Russia which the Powers at present would be singularly impotent to stop and which would certainly involve them all. he emphasises the necessity and importance of understanding the present Far Eastern situation on the part of the American people.

Next, the author traces the rise of modern military imperialism in Japan and discusses the causes and consequences of the present Manchurian outbreak. He says that the present adventure beginning in Manchuria, reaching a climax at Shanghai and threatening to lead to more catastrophic consequences with Russia, constitutes a good measure of the mind of the Japanese militarists. That mind, in the life of modern Japan, has revealed itself on many previous occasions, the Sino-Japanese War in 1895, the annexation of Korea in 1910, the attempted control of Shantung and occupation of Siberia. In fairness to Japan, he attributes the rise of that mind to two causes: Japan's military traditions and the lessons she learned from the Western world in the course of modernizing herself. But he points out the difference between the Western military imperialism and the Japanese in that the former was of gradual development, while the latter was a phenomenal rise. Modern militarism has won Japan concrete fruits in her wars with China and Russia and pomp and glory to the Japanese people. As a consequence, the Japanese have placed their unreserved trust and confidence on the mnlitary force which resulted in the present military-mindeness of the country.

Discussing the Manchurian conflict, the author says that the Incident on Sept. 18, 1931 was rather insignificant in itself, but the world is aware of its catastrophic consequences. In other words, the Incident was a frame-up which serves as the needed pretext to set the wheels of the Japanese military machine in motion for imperialistic ends. According to the author, the Japanese immigrant has never looked with favor upon both Korea and Manchuria for reasons of cold climate and different type of cultivation but a combination of selfish and imperialistic motives on the part of the Japanese Jingos has spurred on them to the adoption of an expansionist policy and the Asiatic Mainland has been earmarked for her aggradizement at the expense of China. Then, he proceeds to discuss the present opposing forces of military-fascism and democracy in Japan and concludes with the opinion that that Democracy has been making progress, although he doubts whether at present it can be strong enough to mobilize public opinion to effectively block the present military program. In his opinion, even from the Japanese point of view, Militarism in its final analysis is a costly but unprofitable enterprise. Let us quote: "In the sober second opinion of the nation, Japan's militarists, up to the fall of 1931, were being seriously discredited. A realization had begun to appear that pomp and glory of the military party were no longer profitable. Taking inventory of the military enterprises of the past 30 years, intelligent Japanese as distinguished from jingo-minded masses were coming to the opinion that the militarists far from having strengthened Japan in those essentials where strength was most needed, had loaded the nation with increasingly heavy burdens." Formosa, instead of being a most significant trophy of the Sino-Japanese war, has become a major liability. Similarly is the case of Korea which has wrongly

been regarded as an essential asset to Japan. The adventures in Shantung and Siberia have gone disastrously awry. What disaster the present adventure of the Japanese militarists will bring upon her can best be imagined from what she has received from her previous imperialistic undertakings. But despite consequences, good or evil, the fact stands in relief that military-fascism is dominating Japan, which constitutes a serious menace to the world.

In the Chapter devoted to China's Nationalism, the author displays unusual far-sightedness and understanding and sounds a warning that China's rising nationalism may become a hope or menace to the world. He brings forth several significant points which less informed or short-sighted writers would leave out of account entirely or lightly dismiss. But he insists that China must not and can not be ignored in any consideration of the future of the Far East. She will eventually win her proper place in the sun and is likely to loom more largely in future than any nation, East or West. China has been held up to scorn by the Western world, because she has lacked, as the author humorously puts it, the indispensable marks of "He-Men"—the high pressure qualities of bluster, bravado and bluff. The most unfortunate and despicable thing in the eyes of the militant world is that the Chinese have been poor fighters. As a national entity, China was impotent in a war-making sense. It was bad enough that they were too weak to fight. It was worse that that fact had failed to trouble them. But with the phenomental rise of the surging nationalism throughout the country, the situation has taken on a radical change which is steadily shaping her destiny in a new direction. In the first place, recognition should be made that China lacks no elements needed to make her a world power and is remarkably furnished with those industrial and in a way, war essentials, coal and iron. Secondly, the old conception that China is incapable of producing technicians to develop her industries has been discredited by facts. Thirdly, the Chinese possess all the needed qualities to make first-rate fighters. What she has suffered is a lack of national program to fight on, which has begun to appear. During the past century, China has suffered many injustices at the hands of many countries and her grievances have to be redressed. If she is not able to secure justice by peaceful means, she will one day be strong enough to get it by force, which may now seem a remote, a very remote possibility. It is here the author points out, that the menace of China to the world lies. He predicts that China, strong enough to fight for justice, will probably be too strong and too thoroughly militarized to be content with justice. She may embark upon a career of military imperialism which would be disastrous to the world. The issue of whether nationalist China is to be a hope or menace to the future of the world is being determined right now, not in China but in the nations that have it within their power to guarantee to the Chinese a peace with justice. This is the advice the author gives to the world powers concerned over the present Far Eastern Situation.

In the opinion of the author, Russia is not likely nor is she prepared to fight Japan at the present moment, despite the provocations of the Japanese. Compared with the Japanese, Russian interests in Manchuria are negligible, consisting chiefly of a railroad. This opinion is based upon inquiries made direct at the Russian Headquarters in Moscow. The official query which is of greater importance to Russia: the Five Year Plan or a thousand miles of railroad located at the far end of Asia explains beyond all doubt the attitude of the Russians at present, but this does not in the least exclude the possibility, almost certainty that another Russo-Japanese War is eventually inevitable.

The book consists of only 127 pages, but the author succeeds remarkably in setting forth all the essential factors necessary to an intelligent understanding of the present Eastern situation. It is one of the best books on the Far Far East that have been published up to the present. The printing is neat and clear. The only defect, so far as the reviewer is able to detect, consists of two typographical errors. On Page 36, a sentence reads: "In fact, the chief domestic issue which has arisen out of the military undertakings *is* Manchuria and at Shanghai is the survival of Japan's constitutional Government." The word "is" should apparently be substituted by "in," as this word was used in a later section. The other error appears in the second paragraph, on page 69, in the phrase "in the Winter of 1932;" the author evidently means "1931."

C. H. Hoh.

A New Translation of Chinese Poems

Chinese Poems in English Rhyme, by Admiral Ts'ai T'ing-kan, The University of Chicago Press, Chicago, Illinois, $3.50.

We should, I suppose, be most grateful for any new translation of Chinese poetry to swell our sparsely volumed shelves on this subject, and particularly for a work which Admiral Ts'ai states he has taken thirty years to complete, but it is difficult to wax enthusiastic about the material contained between the covers of "Chinese Poems in English Rhyme," in spite of its being a lovely bit of binding and typography.

Admiral Ts'ai has translated one hundred and twenty-two verses from the first and third books of the Ch'ien Chia Shih, "Selected Poems from Many Poets," each poem in the original being composed of four lines of either five or seven words to each line, which he rendered into quatrains of either iambic pentameter or hexameter, varying with couplets and alternating rhyme in order to avoid monotony.

Although there are selections from many of China's greatest T'ang and Sung poets, including Ts'en Ts'an.-po, Li Shang-yin, Meng Hao-jan, Tu, Fu, Wang Wei and Su Shih, the Ch'ien Chia Shih, I believe, are books for children and young students. Admiral Ts'ai has taken this, the simplest of Chinese verse form-"chueh chu" or "cut-off lines", that is, a four-line arrangement taken from the regular tone pattern form of eight lines and translated it into the iambic or simplest form of English verse, with the unhappy result of achieving nothing at all. Apparently he thought such a task would not be too complicated, and forgot the old axiom, both Chinese and English, that the real difficulty in writing poetry is in putting significant things into simple verse, not in making simple verse of significant things. A translator of Chinese is necessarily a creator of new form, but we much prefer that he keeps the significance of the original and let the form take care of itself. Because Admiral Ts'ai has insisted upon a rhyming translation, he has necessarily sacrificed idea to the exigencies of form and many of the resulting verses are ridiculously pointless and trivial.

However, inasmuch as the original was an anthology, we cannot quarrel with the translator's selection of individual verses, but he might have better spent his thirty years on more significant material. His result is merely trivial English verse—and bad verse, at that—and certainly gives little interpretation of the spirit of the original. Many of the originals of these poems are supposed to carry deep political significance, as it was safer for the poet in old days to say things in metaphor, and are supposed to carry double meanings that certainly do not appear in the verse itself. A comparison of the translation with the original reveals many poor interpretations, although commentators themselves, of course, do not agree on exact shades of meaning because of the absence of tenses, personal pronouns, and connectives in the Chinese language. In fact it seems that in China every poet is a Browning, and it is as difficult to fit exact meanings into their strangely "fitted" verse forms as to put the parts of a Chinese puzzle together, which it somehow resembles. The notes to these verses should have been a little more comprehensive, to assist in this matter. Incidentally, however, it is a pleasure to note that the artistic unity of the book was not violated by putting these notes at the bottom of each poem, but properly subordinated in the "back of the book" where stars, daggers and other such paraphernalia belong.

This is one of the few translations of the poetry of the Middle Flowery Kingdom made by Chinese, without collaboration. One remembers Dr. Lim Boon Keng's translation of The Li Sao in 1929, published by the Commercial Press, which he wisely did not attempt to rhyme. It is most discouraging that there have been so few attempts, and with so little success at that. But, of course, one would have to be superhumanly bi-lingual to have sufficient feeling for two such different languages to truly appreciate and produce good verse in both. There are occasional bad rhymes in Admiral Ts'ai's verses, and many cases where the ictus or caesura is falsely placed, as well as iambic accent. However, he does remarkably well in avoiding the use of unpoetic words, which is the pitfall of the average trauslator who must resort to a dictionary as a mentor of usage. Only occasionally in the book does something occur like "O Mister, where's thy home, I

pray?"-which is a curious cross between an American bootblack's form of address and the Bible.

Had Admiral Ts'ai finished his work thirty years ago, it might have been hailed with great pleasure. However, in the past few years a revolution has taken place in the writing of poetry which practically outlaws the old iambic pentameter as a form of high poetical expression, as well as the time-honored verb inversions, "deems, 'neaths, t'enjoys, forsooths, o'ers, flow'rs, whithers, thees, thous" and other elisions and archaisms, with which Admiral Ts'ai's verse abounds. It seems the new poet must take the whole hog or none in the matter of poetic license—and either write vers libre or perfect rhetorical speech.

What the West wants from China is not mediocre English verse. It is either an interpretation of "form" or atmospheric painting. It is usually said that Chinese verse (which is either five or seven line syllables in the "ruled" form) cannot be translated in that many syllables into English, because of lack of verbs and connectives. However, this is exactly what the modern school is attempting to do in the Occident. The "new" English and French) verse is more and more tending to impressionism and reads almost like the original sketchy Chinese. This from Kreymborg is quite telegraphically abbreviated:

Entity
I am.
And you.
And atoms
Censure?
Forgiveness?
Why?

Another example is such staccato verse as this by H. D., Imagiste, famous as being typical of the imagist school:

Oread
Whirl up, sea—
Whirl your pointed pines.
Splash your great pines
On our rocks
Hurl your green over us—
Cover us with your pools of fir.

These may or may not agree with your idea of the best poetic expression, but they are an attempt at creating new organic rhythms, and the imagist school has long looked to the East for inspiration in their impressionism, which the ideographic languages of the Orient are peculiarly fitted to express. A real contribution would be a book of "English verses in Chinese Rhyme" instead of the one under review.

After Coleridge, Keats, Shelley and Byron began experimenting in English poetry in an attempt to take it away from the old rigid and insular Greek prosody which has so long guided it, came Whitman in America and Mallarme in France in search of still larger rhythms; then the Celtic renascence—Lady Gregory, Douglas Hyde and most important of all Yeats and Synge—and finally developed a new school of freer verse, which culminated in the imagist school. The new poets studied the French symbolistes of the Nineties after Mallarme, studied Italian as well, and tried to find variations in a new interpretation of the old Greek prosody, then last, but—it has been considered—perhaps most important of all, have turned to the East: Indian, Persian, Sanskrit, a few translations of Japanese "hokku" and other forms, and finally the whole line of Chinese poets of a thousand or more years ago, beginning with a translation of the Shi King, classic book of poetry. Since 1917 there has been a real delving into Chinese poetry and the imagists were much influenced by Oriental perfection of form and delicacy of feeling. One remembers Allen Upward, Ezra Pound, Helen Waddell and such scholar-poets as Arthur Waley, Mrs. Ayscough, Amy Lowell, and Witter Bynner, all of whom declared, like Witter Bynner, that they have received "a new, finer and deeper education" than ever came from the Greek or Hebrew literary ancestor of our old prosody.

Perhaps we need a Fitzgerald to give a mediating interpretation between the ideographic language of China and Japan and our highly conjugated Romance speech. This is not likely to come from the Chinese themselves, so it would be well if they would "take the poetry and leave the prosody" in their translations, if they cannot do both, for after all the art of poetry lies in implication and not in literalness.

In spite of all the flaws of translation and versification, and the fact that this reviewer feels that Admiral Ts'ai is slanting his translating activities in the wrong way, there is so much of the cool beauty of nature in these little verses, so full of leisure and tranquility, that they are enveloped in a charming atmosphere, and their simplicity (or quiet duplicity, if you prefer to read the inner meanings) are delightful after the operatic that booms through much of our emotional English poetry.

H. F.

"Foreign Policy" Writers Discuss Soviets, Defense, and Peace Machinery

Foreign Policy Reports in its issue of August 17 contains a discussion of the "Soviet Union and Japan in the Far East," by Vera Micheles Dean. The author expresses the opinion that while the Soviet Union, absorbed by the task of economic construction, has no desire at present to contend with Japan for control of the Chinese Eastern or a share of influence in North Manchuria, it would doubtless vigorously resist any Japanese encroachments on its territory. The results of a conflict between the two countries are unpredictable. The military strength of the Red Army is as yet an unknown quantity and the transportation of war material and supplies to Siberia would prove difficult, despite the fact that the Trans-Siberian Railway is now double-tracked from the Urals to Karimskaya, near the Manchurian border.

The August 31 issue of *Foreign Policy Reports* contains a discussion of the "National Defense Policy of the United States," by William T. Stone. The author explains that the primary object of the National Defense Act is not confined to defense of American territory. At the same time he says an army organized solely to defend American soil would be in full accord with the anti-war pact; it would not require offensive preparation and it would not be materially affected by the size of organization of foreign armies.

Discussing the Weakness of Peace Machinery in *Foreign Policy Reports* for September 14, Raymond Leslie Buell says if peace machinery is to succeed in abolishing war, it must devise methods of peacefully revising treaties which may be "legal," but which clearly have become inequitable; had its diplomacy been more skillful, Japan probably could have succeeded in securing the aid of the League in enforcing its Manchuria treaties against China; the Chinese people, however, declare that these treaties were originally imposed by force and violate their fundamental economic and political interests. In this instance, therefore, Mr. Buell says the task before peace machinery is to work out an equitable compromise between the economic needs of Japan and the economic and political interests of China.

The Matter of Paying the Debts

The Inter-Allied Debts: an Analysis, by Maxwell S. Stewart; Foreign Policy Association, New York.

This pamphlet, one of the regular series issued by the Foreign Policy Association, is devoted to the timely question of payment of the inter-allied debts, which, along with the Manchurian question, disarmament and the economic depression constitute questions of world interest. Mr. Stewart attempts and succeeds in presenting an impartial exposition of this contentious subject, covering how the debts were contracted, the method of settlement, and finally the question, "Should the War Debts Be Cancelled?" Valuable features of the report are tables showing the loans which the U. S. made to foreign governments, funded indebtedness of foreign governments to U. S., present value of funded debts, present status of government debts owing to U. S. and finally armament expenditures compared with war debt payments to the U. S.

READERS of *The China Weekly Review* who may be interested in obtaining copies of any books which have been reviewed in these columns, may obtain them by sending their orders in care of *The Review*....If obtainable in Shanghai the books will be mailed immediately at retail prices prevailing in Shanghai, plus postage, or if not obtainable here, they will be ordered from the publishers abroad. Send orders or inquiries to Book Editor, *The China Weekly Review*, 38 Avenue Edward VII, Shanghai.

Famine Relief and the Missionaries

The Chinese Recorder, Nov. 1932; Mission Building, Shanghai.

The November issue of *The Chinese Recorder* is devoted almost entirely to an appraisal of the famine and flood relief situation in China, considered from the standpoint of Christian missionary endeaver in the country. Aside from several pages of editorial discussion there are numerous articles bearing on the subject by laymen and missionaries, among them being the following: "Great Central China Flood of 1931," by George C. Stroebe; "Some Altruistic and Economic Aspects of Famine Prevention Work," by O. J. Todd; "Missionaries and Famine Relief," by John Earl Baker; "Place for Relief Work in the Missionary Program," by G, Findlay Andrews; "The Missionary and Famine Relief Work," by Dwight W. Edwards; "Values of Famine Relief Work," by Carl F. Blom; "Consult Local Disinterested Daniels," by Robert Gillies; "Flood Relief Work in Central China," by James J. Heady; "Irrigation and Famine Relief," by the Very Rev. Hewlett Johnson.

Soviets Celebrate Fifteenth Anniversary

The Soviet Government celebrated the fifteenth anniversary of the Bolshevik revolution Nov. 7. A million people, including detachments of the Red Army, marched past the Lenin monument in Moscow.

Joseph Stalin, secretary-general of the Communist Party, Michael Kalinin, chairman of the Central Executive Committee of the U.S.S.R. and Clementi Voroshilov, People's Commissar for War, took part in the colebration at the Moscow Grand Opera House. In a striking speech, Kalinin outlined the successes of the Socialist structure. The speaker contrasted the enormous economic and cultural achievements of the U.S.S.R. with the continually-sharpening crisis in the capitalist world and emphasized the peaceful policy that is being pursued by the Soviet Government. Turning to the problems of international relations, Kalinin made reference to the British denunciation of the Anglo-Soviet trade agreement, declaring that the British diehards have at last succeeded in their long sought aim of encompassing unilateral abrogation of the agreement. On this question, asserted the speaker, politics have prevailed over economics.

Red Army Warns Any One Against Crossing the Border

An order of the day issued in Moscow Nov. 7 by the Military Revolutionary Council over the signature of Clement Voroshilov, People's Commissar for War, on the occasion of the fifteenth anniversary of the Bolshevik Revolution, reminded the Red Army that the whole country is engaged in building up socialism and neither seeks nor desires war. However, concludes the order, "The Red Army has been, is and will continue to be the true guardian of peace. But it will never allow any one to cross the Soviet borders—never anyone!"

No Material Change in Germany as Result of Elections

Germany held its fourth elections this year November 6. The dictatorship of Van Papen will probably continue although he was defeated. The Nazi lead was considerably reduced. The Socialists lost votes, but the Communists gained 10 additional seats in the Reichstag. The four principal parties in the Reichstag are (with seats held as result of last election) as follows: Nazis, 195; Socialists, 121; Communists, 100; Center, 100. Total number of seats, 582.

Latest New York Stock Exchange Quotations

Market—Easy Business Done 1,300,000 Shares

Nov. 11, 1932

1931-2 High	1931-2 Low	Div.$ per Sh.	STOCKS	Mon. Nov.7	Wed. Nov. 9
9⅜	1⅝	—	Adams Express	5⅝	5½
87½	42½	•6.00	Allied Chemical & Dye	75⅞	73
14½	4	—	Allis Chalmers	8¼	8⅛
73⅞	29⅝	•4.00	American Can	53½	51½
14½	2	—	American & Foreign Power	7½	7¼
9⅝	1⅛	—	American & Foreign Power Warr.	5¼	5
26½	5¼	—	American Smelting	16¼	14⅛
137⅝	70¼	9.00	American Telephone & Telegraph	107	103⅝
86¾	44	•5.00	American Tobacco "B"	68⅛	67¼
34½	11	2.00	American Waterworks	20¼	20
18⅝	3	—	Anaconda Copper	10½	10
151¾	28¾	•4.00	Auburn Automobiles	43	39½
21⅝	3¾	—	Baltimore & Ohio	13	12
29	7¼	—	Bethlehem Steel	18¾	17¾
43½	20	•2.00	Borden Company	25⅝	24⅝
13½	3⅜	—	Borg Warner	8¾	8
20⅝	7¼	—	Canadian Pacific Railway	14⅝	13¾
63¾	16¾	—	Case, J. I.	38½	36
47⅞	19	2.00	Chase Bank	35¼	34⅜
20⅝	4⅞	2.00	Chesapeake Corp.	14⅛	14¼
21	5	1.00	Chrysler	15⅛	Not
6⅞	1¼	—	Cities Service Company	3½	3½
20⅞	4¼	1.00	Columbia Gas & Electric	13¾	12¼
5	1⅝	.30	Commonwealth & Southern	3	2⅝
15/16	1/16	—	" Warr.	1/2	9/16
68¾	31½	4.00	Consolidated Gas of N. Y.	58⅞	56¼
9¼	3⅜	—	Continental Oil	6⅜	6⅛
54½	24¾	•3.00	Corn Products	53	51
6⅛	1½	—	Coty Inc.	3¾	3⅜
3	⅞	—	Curtiss Wright Company	2	2
57	23	4.00	Drug Incorporated	36¾	35¼
59¾	22½	2.00	Du Pont de Nemours	36	34¾
87⅞	36¼	3.00	Eastman Kodak	52⅝	51½
45¼	5	6%S	Electric Bond & Share	24½	22
15½	2¾	—	Electric Power & Light	7⅝	7½
5⅝	1	—	Fox Film "A"	3	2⅞
26¼	8½	.40	General Electric	17	16
40½	19⅝	2.00	General Foods	29⅜	26¾
24⅝	7⅝	1.00	General Motors	14	13⅜
28⅝	6⅛	1.00	General Railway Signal	14	Unq.
24¼	10⅜	1.00	Gillette Safety Razor	17½	17
19⅞	8¼	1.60	Gold Dust	16¼	15½
11⅝	2¼	—	Goodrich Rubber	5½	5¼
28⅜	5½	—	Goodyear Tire & Rubber	17⅜	15⅝
18¾	3⅝	—	International Cement	9¾	9⅝
1⅜	½	—	International Com. Engine.	¼	⅜
32¾	10⅜	1.20	International Harvester	21⅞	20
12¼	3½	—	International Nickel	8¾	8¼
15½	2⅜	—	International Telephone & Telegraph	9⅝	9
32⅝	10	—	Johns Manville	23	21¾
19	4⅞	—	Kennecott	11⅞	11
9⅛	1/32	—	Kreuger & Toll	⅛	¼
66⅞	32⅛	•4.00	Liggett & Myers, "B"	58¼	58
36⅞	13¼	•3.00	Loew's Inc.	28⅝	28
17½	9	1.20	Lorillard P. Co. (Com.)	13⅝	13⅛
11⅝	1⅛	—	Ludlum Steel	6¼	6
16¼	3½	—	Montgomery Ward	13	11⅝
64½	23¾	2.00	National City Bank (bid price)	44¼	43
9⅞	2½	—	Nevada Copper	6¼	5¾
86⅝	8¾	—	New York Central	23⅞	21¾
42¾	13¾	10%	North American Company	29	27⅝
37	16⅞	2.00	Pacific Gas & Electric	27¾	27
5¼	1½	—	Packard Motors	3	2⅞
11½	1½	—	Paramount—Publix	3⅝	3¼
23⅝	6½	—	Pennsylvania Railroad	15	14
4¼	1	—	Pennroad Corporation	2	1⅞
8	2	—	Phillips Petroleum	6⅝	5⅝
60	28	3.20	Public Service of N. Jersey	49	47
12½	2½	—	Rudio Corporation	7¼	6¾
7¼	1½	—	Radio-Keith Orpheum	3¾	3⅝
45⅝	26½	3.00	Reynolds Tobacco "B"	30⅛	29⅜
37⅜	9⅞	—	Sears Roebuck	19¾	18¾
8¾	2½	—	Shell Union	6⅞	6⅝
13	3	—	Simmons Company	8	6½
12½	5¼	.80	Socony-Vacuum Corp.	8½	8⅛
32¾	15⅝	2.00	Southern California Edison	25⅞	24⅝
34¼	7⅝	2.00	Standard Gas & Electric	16¾	16
37¼	19⅞	•1.00	Standard Oil of N. Jersey	31½	30¼
17⅜	9¼	1.00	Texas Corporation	14⅛	13½
26⅝	12	2.00	Texas Gulf Sulphur	22½	22
7	2⅛	—	Trans America	5	5
36⅜	15½	1.20	Union Carbide & Carbon	24¾	23
94½	27⅝	6.00	Union Pacific Railway	69⅞	65½
33½	6½	—	United Aircraft & Trans.	25⅜	23⅞
13⅜	3½	.40	United Corporation	8⅜	8¼
21⅞	9¼	1.20	United Gas Improvement	18¼	17⅞
9¾	1¼	—	U. S. Rubber	5½	5
52⅝	21¼	—	U. S. Steel	37	35
23¼	5¼	—	Vanadium	13	12⅜
4½	½	—	Warner Bros. Pictures	2¼	2¼
43½	15⅞	—	Westinghouse E. & M.	26⅝	25
45⅝	22	2·40	Woolworth	39	37½
•Plus extras			Call Money	1%	1%

SWAN, CULBERTSON & FRITZ

A.B.C. PRESS, SHANGHAI
Printing
in all its Branches
Your work should bear our imprint

Swan Culbertson & Fritz
Investment Securities—Local & Foreign
Safe Deposit Facilities
New York stock quotations received daily
Sassoon House Telephones 11200 (4 lines)

CUSTOMS NOTIFICATION NO. 1254

With reference to Customs Notifications of the 18th August, 22nd August, 19th September, 19th October, and the 1st November, 1932, concerning the issue of Consular Invoices and the fees to be charged thereon, the public is hereby notified that Paragraph (b) of Customs Notification of the 22nd August has been modified by the Government and that consignees of cargo not covered by Consular Invoice, shipped from abroad during November and December, 1932, will pay to the Customs a sum equal to the Certification Fee, *i. e.* G. U. 5.00 for the issue of a Consular Invoice by the Customs instead of twice the Certification Fee, *i. e.* G. U. 10.00.

Paragraph (c) of the above notification remains unchanged.

H. O. Tong,
Superintendent of Customs.

L. H. Lawford,
Commissioner of Customs

CUSTOM HOUSE,
Shanghai, 5th November, 1932.

泰 SILBERMAN'S 明
HIGH CLASS
OUTFITTING STORES
8 BROADWAY (ASTOR HOUSE)
TEL. 40871
AND BRANCH
75 SZECHUEN ROAD (CENTRAL ARCADE)
TEL. 19000

The National City Bank of New York, Rates of Exchange

Shanghai Nov. 9, 1932.

Demand selling rate on America:	U.S. $1.00=Sh. $4.7147
Demand buying rate on America:	U.S. $1.00=Sh. $4.6208
Demand selling rate on London:	£1.0.0=Sh. $15.607
Demand buying rate on London:	£1.0.0=Sh. $15.257

The National City Co. Gold Bond Quotations Received From Head Office

Nov. 3 1932,

SECURITY	RATE &	DATE DUE	Price	Approx Yield%
The National City Bank of New York		Stock	41½	—
Argentine Government	6 %	May 1, 1960	53	11.79
U. S. of Brazil	6½%	Oct. 15, 1957	18	—
Republic of Finland	6½%	Sep. 1, 1956	67	10.21
German Central Bank for Agriculture	6 %	Oct. 15, 1960	46¼	—
Kingdom of Italy	7 %	Dec. 1, 1951	97	7.29
State of Minas Geraes Series "A"	6½%	Sep. 1, 1959	15	—
State of Sao Paulo (Brazil)	7 %	Oct. 1, 1940	55½	—
American I. G. Chemical Corporation	5½%	May 1, 1949	76	8.17
Chine Westphalia Electric Power Corp.	6 %	Apr. 1, 1955	47	—
QUOTATIONS RECEIVED FROM LONDON OFFICE				
Republic of China Gold Loan	5 %	1925	70½	—
Chinese Govt. Re-org. (£) Loan Stamped	5 %	1913/60	73	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 %	1913/60	71	—
Chinese Government (Crisp Loan)	5 %	1612	45	—
Shanghai-Nanking Railway	5 %	1904/08	47	—
Shanghai-Hangchow-Ningpo Railway	5 %	1908/58	82	—
Hukuang Railway	5 %	1911/1951	27	—
Tientsin-Pukow Railway	5 %	1908/09	28	—

NOTE: The above quotations are received by cable, and whilst believed to be correct, are not guaranteed.

In the United States Court for China

EDWARD S. KERSEY, Plaintiff,
vs.
NELL KERSEY Defendant.

Cause No. 3487
Civil No. 1563
ORDER
Filed at Shanghai, China
November 4th, 1932.
JAMES M. HOWES
Clerk

The object of this suit is an application for divorce.

WHEREAS, plaintiff herein, by his attorneys, has this 4th day of November, 1932, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 4th day of November, 1932, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 4th day of November, 1932, the plaintiff herein filed an affdavit to the effect that the defendant does not reside in China, and that defendant's last known address was West Virginia, U.S.A.

NOW, THEREFORE, it is this 4th day of November, 1932, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review" a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause Her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 26th day of November, 1932, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:
Dated at Shanghai, China,
this 4th day of November, 1932.

MILTON D. PURDY
Judge.

COMMERCIAL EXPRESS & STORAGE CO.
GODOWN SPACE
8B YUEN MING YUEN ROAD SHANGHAI TEL. 16931-2-3

READ

"THE CHINESE REPUBLIC"

Edward Bing-Shuey Lee, Editor

SPECIAL FEATURES

1. Review of World Events
2. Survey of the Week's News in China
3. The Mis-Republic
4. Chinese Enterprises
5. Chinese Leaders' Views
6. Sports

OTHER FEATURES

1. Editorials
2. Special Articles on Economic Development, Foreign Affairs, Current Topics and Specialized Subjects
3. Reconstruction
4. Chinese Press Opinion
5. Foreign Press Opinion
6. Documentary Data

20 Cents per Copy

$ 7.00 Mex. per year (domestic)
$16.00 Mex. per year (foreign)

Business and Editorial Offices.
14 Kiukiang Road, Shanghai.

Owing to alteration of building our temporary address is 25 Central Road (Opposite the Ho Hong Bank)

NOTICE

To Subscribers

(Residing Overseas)

Dating from August 1, 1932 the subscription rate for persons residing outside of China has been reduced from G.$10 a year to G.$8 a year, including postage.

The new rate applies to subscribers residing in the United States, Canada, Europe and Russia.

The new rate, estimated in the currency of the Federated Malay States is equivalent to s. s. $15. In India, Australia and other places using English currency the rate is equivalent to £2:8:0.

The China Weekly Review

38 Avenue Edward VII
Shanghai.

THE PEOPLE'S TRIBUNE

An Organ of National-Revolutionary Thought and Opinion
Edited by T'ANG LEANG-LI

THE PEOPLE'S TRIBUNE aims at conveying accurate information and the correct interpretation thereof, at informing the foreign public what China's masses and their responsible leaders are thinking and doing, at explaining the significance of major political and other relevant developments—without fear or prejudice.

Among its contributors we find political leaders and thinkers of international repute, such as WANG CHING-WEI, T. V. SOONG, CHEN KUNG-PO, QUO TAI-CHI, Dr. WELLINGTON KOO, SUN FO, and experts who, anonymously or under their own name, write with the greatest authority on their respective subjects.

THE PEOPLE'S TRIBUNE is therefore indispensable to all who are interested in the political, social, and economic development of national-revolutionary China.

Single Numbers: 20 cents — Twelve Numbers: Mex $2.00 (Abroad G. $1.50)

CHINA UNITED PRESS

72 Szechuan Road, Shanghai

Telephone: 18447 — Cablegrams: Cupress

Read and Subscribe

The China Voice

A Fortnightly Journal of Opinion.

Subscription Rates including postages as follows:—

Country	3 Months	6 Months	One Year.
China	$2.00	$4.00	$7.00
Foreign	G. $1.50	G. $3.00	G. $5.00

Write To

The China Voice

23 Yuen Ming Yuen Road
SHANGHAI.

NOW AND AT ONCE!

中華郵政特准掛號認爲新聞紙類

Registered at the Chinese Post Office as a newspaper for transmission with special marks privileges in China.

An Egyptian Holiday

Travel home on the President Liners via Suez and enjoy a three day holiday in Egypt. Yet, you lose no time enroute. Leave your President Liner at Suez and motor to Cairo. The Third Day rejoin the same ship at Alexandria . . . Make Egypt the high point of your homebound trip.

DOLLAR STEAMSHIP LINES
***and* AMERICAN MAIL LINE**